Buy or lease machinery?: p. 34

Trends in bonds: p. 4

The Financial Post

Canada's National Weekly of Business, Investment and Public Affairs.

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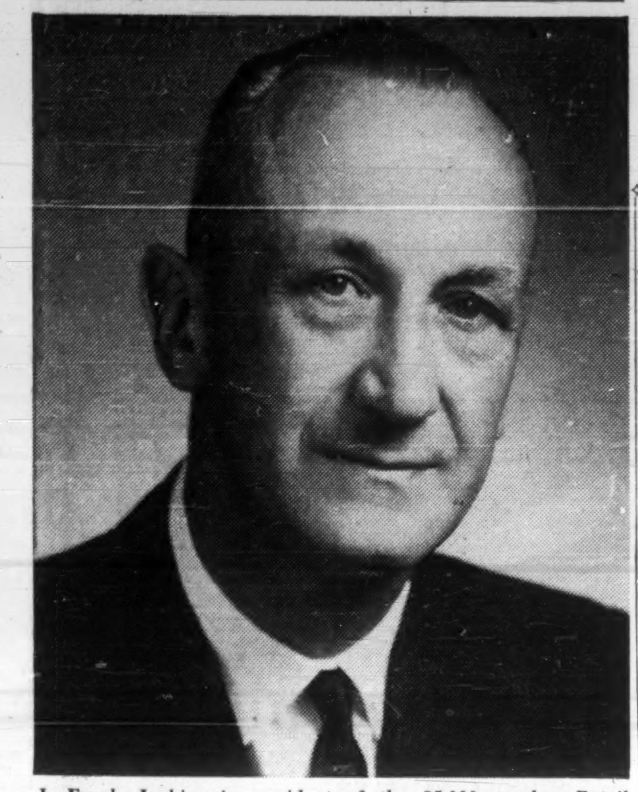
Retailers' Spokesman



J. Frank Jenkins is president of the 25,000-member Retail Merchants Association of Canada. He speaks for the independent retailers in their current campaigns to improve small store efficiency, combat trading stamps and fight for store closing hours "fairer to the independent outlet." Mr. Jenkins heads Jenkins Groceteria Ltd. of Summerside, P.E.I., a unit in the $12,000-million-a-year non-chain segment of Canadian retailing.

NATION'S BUSINESS

Wanted: New Ideas To Help 'em Grow

On Sept. 6, a large group of "liberally minded persons" will assemble at Kingston for a conference on major national issues.

There is no official connection between the sponsors and the Liberal Party—but most of them are prominent Liberals, and the meeting is widely regarded as a move by the Liberal Party to do some wholesale brain-picking and come up with some ideas that can be used in the next election.

Response to the invitations to the meeting has startled even the sponsors. This is a political fact which Liberal strategists are no doubt adding happily to the provincial election results and Gallup polls which say their prospects in the next election are by no means bleak.

After all, in the 1958 elections Liberals got 2.3 million votes against the Conservative 3.6 million and the Canadian habit of thinking a party is dead after a severe defeat is misleading. The Tories were thought to be dead in the 1940s.

The conference may originally have been intended to protect the left flank of the Liberals against onslaughts by the new CCF party, which was supposed to attract "liberally minded persons". This threat to Liberal votes can be discounted heavily. Neither farmers nor labor have shown any real upsurge of interest and the general public is totally indifferent.

The conference may now be used to exploit the performance of the Conservatives to date. For this purpose, the timing, from the Liberal point of view, is perfect. If any useful policy ideas emerge, the Liberals will take credit for them—even if similar policies are put into operation by the government in a fall session.

It Won't Be a Wake

There is always the risk, in setting up a meeting like this, that it will backfire, by failing to produce anything but platitudes. This is a hazard the Liberals have clearly tried to guard against in selecting program and personnel. There are plenty of outspoken outsiders involved and the topics are specific.

Whatever the Kingston conference proves to be, it won't be a wake though that's what some Canadians were expecting when the plans were first announced. After the last election, the Liberals were officially pronounced dead by their opponents. This has now proved to be a premature report. Political analysts of all colors now give the Liberals at least a long sporting chance to form the next government.

In this atmosphere, deliberations at Kingston are apt to be buoyant but not hare-brained, since the possibility exists that any ideas produced may actually have to be translated into action.

Regardless of what it may do for the Liberals, the meeting will provide a useful stirring-up of ideas and attitudes that will do nobody in Canada any harm—and goodness knows, Canada needs some very informed, profound and inspired thinking to cope with the new and challenging problems now enveloping our nation.

* * *

More Than a Push for Pay

The effects of the spreading strike at Dominion Bridge Company plants across the country are bound to be serious. The company is our largest structural steel fabricator, with 14 plants in seven provinces.

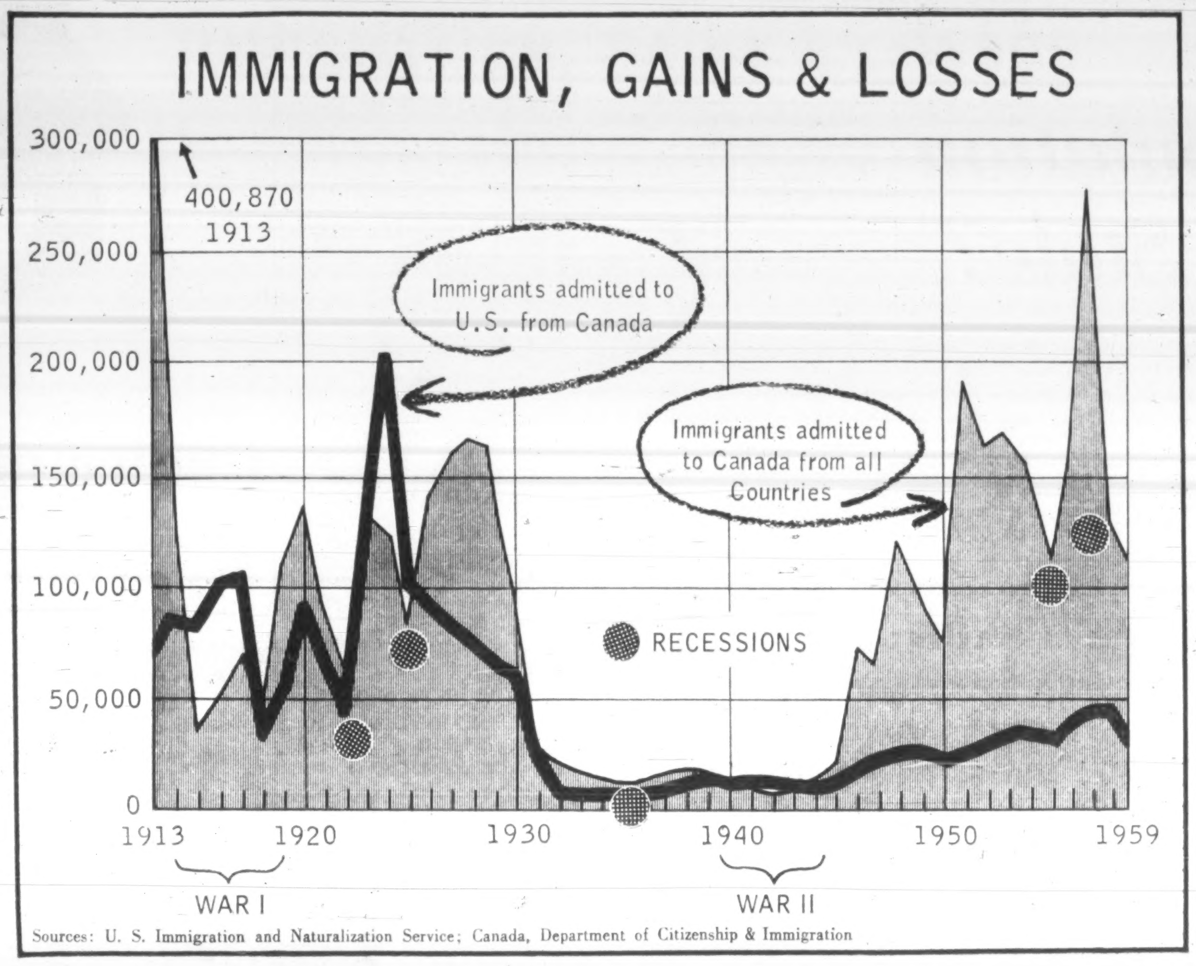
But it's more than just another union grab for more pay and fringe benefits.

The squabble has all the appearances of a showdown power play by the big Steelworkers Union in its long-standing fight for a "master agreement", which means basically a uniform nation-wide agreement. This is the biggest test to date of this long-standing union objective. A sore point with the union is the use of provincial conciliation board machinery in a "national" dispute. What the union wants is to negotiate simultaneously for all plants, regardless of location.

A lot of other big unions have the same objective but they've made little headway. There are clear reasons why not.

Economic conditions vary considerably between different communities. A wage settlement "fair" in one place is unlikely to be "fair" in another.

The steel union leaders may think a "show of force" is timely but they have chosen a totally unrealistic issue for their present attack.



Could Our Population Falter and Go Stale?

Where are we losing our brains and skills? To Europe or the U. S.?

Last week in a special report, FP discussed the trends in immigration from Europe, the problems of immigrants in Canada, and why some of them have returned or plan to return to their European homeland.

Here is a further look at this major question, facing up to a major problem:

Within a couple of years we could, conceivably, have more people leaving Canada than are coming in.

By NORTON ANDERSON

Ottawa officials are worried that the number of Canadian immigrants re-emigrating to Europe is likely to step up this fall and next winter.

They are worried too over the increasing movement of citizens and Canadian-based immigrants to the U. S.

And they are aware that the boom has gone out of our immigration drive, at least for the next year or two.

This might lead to a situation, a couple of years hence, where our net population gain from immigration is wiped out — and we could start eating into our population gains of births over deaths.

Foreign consulates, government officials and ethnic group leaders interviewed by **FP** give assessment of the immigration situation:

In West Germany, Holland, U. K., business is booming and employment levels are high.

Many potential Canadian immigrants from Western Europe have been "frightened away by publication of unexplained, astronomical unemployment figures which take no account of Canadian seasonal, and other factors."

Australia, with hard-hitting promotion and subsidies — plus an undertaking to shepherd the immigrants when they land — continues to attract large numbers of Europeans, in spite of the spectacular prosperity in their own countries.

"The boom decade for immigration to Canada is over," says one Ottawa official.

Since we do not understand yet what our manpower needs are, and because our unemployment remains at a very high level, it is expected that the inflow of immigrants will continue to decline for at least the next year."

Here is the story of West German immigrants:

"Thousands of German immigrants are unemployed, or working part-time, in Canada. Too many of them have trade and technical skills needed by Canadian industry," said W. Ehmann, publisher in Canada of two German-language newspapers, Der Courier and Die Zeit.

"Large numbers of them are making plans to return to West Germany this fall or winter," he said.

"Many German immigrants to Canada already have left this year.

"In far too many cases these skilled workers were not given enough guidance once here. There were no preparatory courses arranged, such as learning English and help to master technical terms.

"Until we have a comprehensive study of our manpower needs from coast to coast and until we understand what our hard-core unemployment consists of we cannot expect to have a sound immigration policy," said Ehmann.

Unemployment in West Ger-

(Continued on page 2, col. 1)

Signs & Portents

LOOK FOR price cuts of antibiotics, perhaps by up to 15%. Four major U. S. drug firms have made cuts — in form of discounts to pharmacists — on the tetracyclines, broad spectrum antibiotics used to treat such infections as "strep" throat. Canadian sources expect price changes here following U. S. cuts.

* * *

GERMAN BREWER has a project under way to ship beer in bulk to Canada for bottling here, the ships returning to Germany with Canadian barley. A dozen European brewers sell bottled beer here, but prices aren't too competitive because of high freight charges. With cheaper bulk shipments, the Hamburg firm hopes to sell beer for the same price or even a bit less than Canadian brew.

* * *

WATCH FOR further liberalization by Italy of its restrictions on dollar area imports. Date of the liberalization, expected within this year, will be announced at the next GATT meeting slated for September. Opportunities for Canadian exporters may open.

* * *

ARE CANADIANS leaving their TV tubes cold in favor of live entertainment. The O'Keefe Centre in Toronto has the largest subscription membership in North America — about 17,000 — before it even opens. Vancouver International Festival climbs into the black with its best attendance yet. Stratford Festival operates near capacity.

* * *

FROZEN MILK that retains its flavor for at least 3½ months when concentrated and canned has been developed by a U. S. university. The process can be readily operated on a commercial scale, tests indicate.

Specific New Product Tips Coming for Manufacturers

OTTAWA (Staff)—The Trade Department hopes in a few months to be able to suggest specific new items for manufacture to the Canadian manufacturing industry.

Trade Minister Churchill told **FP** this week that for about a year now, extensive studies have been going on by officials in his department to see what manufactured imports might be produced in Canada.

When these have been completed, he said, the department hopes to have a list of possible new products for manufacture in Canada.

Then it would go to various Canadian manufacturers, give them all the details about these products and let them decide whether to start new production.

Churchill indicated that it is hoped by gathering all vital details about producing new products, the department will be able to give Canadian manufacturers a good idea of whether they can produce them profitably.

The whole idea, he said, is to bring about more manufacturing in Canada.

Asked whether tariff protection might be used in this program as a further means of encouraging new manufacturing in Canada, he said "not necessarily".

He agreed with a suggestion that under existing world trading conditions — especially in view of provisions in the General Agreement on Tariffs and Trade (GATT)—the raising and lowering of tariff levels is almost beyond a single government's power.

What it negotiates with one country must be extended to all GATT members. Consequently, unilateral action was most difficult, if not impossible.

U. S. Drains More Skills

From Our Own Correspondent

WASHINGTON—More Canadians are moving to the U. S.

From embalmers to peddlers, emigrating Canadians are seeking the higher pay they feel they will get at the end of the U. S. rainbow.

In the first half of the current fiscal year 24,814 Canadians emigrated to the U. S., compared with 18,018 in the same period last year. (Of the 24,814 emigrants to the U. S., 16,645 were born in Canada and 8,169 were born outside of Canada — see table.)

The drain on Canada's brainpower is getting worse.

The largest category of Cana-

(Continued on page 2, col. 3)

Look for the Scarlet Lining In This Year's Winter Coat

You may be wearing a scarlet lining in your overcoat this winter if a recent fashion show in Ottawa is any indication of the popular trend in men's clothing.

Or, if scarlet seems a little ostentatious, your winter coat may be snugly lined with cozy muskrat.

The annual Central Canada Exhibition this week offered a fashion show, a feature of Ladies Day at the fair, and threw in a few items of male haute couture for good measure.

Why men's clothes at a women's fashion show:

Eve Trill, fashion commentator for **Henry Morgan & Co.**, sponsor of the show, explains:

Men's fashions have changed more in the last year and a half than women's — sportier sports jackets, slimmer pants and coat lapels, fur-trimmed coats, "and all those cute, funny hats."

Morgan's Ottawa manager, Earl Crowe, has a more practical explanation:

"Most men's clothes are bought by women."

How to Treat The Taxpayer

From Our Own Correspondent

WASHINGTON — The U. S. tax collectors have been ordered to treat tax-harried citizens with affability, courtesy and a large dose of sympathy.

Canadian tax collectors might take a cue from these recommendations issued by the U. S. Internal Revenue Service to improve "taxpayer relations":

- **Be neat,** well-groomed . . . keep desk in order . . . greet taxpayer in a friendly manner and by name, if known.
- **Impress** the taxpayer that you believe in his honesty and integrity.
- **Listen** to the taxpayer's story with undivided attention.
- **Gain his co-operation** by being friendly, sincere and understanding.
- **Avoid** criticizing the taxpayer.
- **Speak** in terms the taxpayer can understand.
- **Always thank** the taxpayer for his co-operation.
- **Treat the taxpayer** with the same courtesy you would extend to a guest in your home.

The Heat's On Retail Deals For Promotion

Trade sources say some suppliers are tightening their allowances to retailers for sales-promotion, as "anti" pressure grows . . .

By RAY MAGLADRY

When a supplier grants a sales-promotion allowance to a retailer, he's taking a big legal risk—in both Canada and the U. S.

The allowance—a traditional factor in our distribution system—is under heavy fire right now.

- **Canadian manufacturers** and suppliers are still wondering where they stand under new provisions of the Combines Act.

"No one knows how the new section will be interpreted," one supplier says.

- **In the U. S.,** the Federal Trade Commission is cracking down on retail outlets that seek special allowances from their suppliers.

Previously, FTC went after only suppliers who offered allowances on an allegedly unfair basis.

Allowances are under fire in both countries because of alleged discrimination in favor of the big outlet or chain at the expense of the smaller independent retailer.

The Canadian law permits allowances provided they are made on a "proportionate" basis to all parties.

"The catch is you cannot readily figure the costs of everyone you supply," one Canadian manufacturer says. "They vary widely from firm to firm. Yet you need them to be certain you are granting allowances legally."

Marketing executives believe that only a test case in a Canadian court could clear the air.

Meanwhile, there are trade reports that some Canadian suppliers are already tightening up policies on allowances.

Under heaviest fire: Deals that are obviously stacked in favor of one or two big accounts.

Under such practices, the supplier would earmark the bulk of allowances for the big accounts, rather than spread them out through the trade.

May Start Credit Bank For Exports

OTTAWA (Staff) — The government may establish an export credit bank to help Canadian manufacturers sell more abroad.

Trade Minister Churchill told **FP** this week "there is room for greater credit facilities" for Canadian exporters.

The government is considering plans to provide these facilities, he said, but he made clear no final decision has been made. Nor is one necessarily near.

Churchill said small Canadian exporters especially could use longer term credit in their efforts to sell in foreign markets.

He noted that the government is sponsoring four trade missions abroad this fall and an exchange of trade missions with Russia is in the cards, perhaps for this fall or next spring.

Canada will send a mission to Australia, too, but the date has not yet been decided.

Churchill said the greatest export opportunities for Canadian businessmen at present are in the U. K. and Europe, with good possibilities in Latin America.

In Latin-American countries, especially, Canadian exporters would be helped by better credit facilities.

Churchill said there seems to be a need for export credit over five, 10 and up to 15 years.

The Outlook

An FP roundup of the latest facts and expert opinion on the economic weather ahead . . .

INDICATIONS are that Canada may get a sizeable share of the capital flowing out of African trouble spots.

Some bankers and investment dealers have noted already an increase in the flow of capital from foreign sources. Others say that this summer's foreign buying has been normal.

Much foreign investment is anonymous, coming through Swiss and New York channels from nationals of other countries.

One banker told FP that he was certain that much of the recent funds from Switzerland, for investment largely in Canadian mortgages, originate in Belgium. There has been a heavy flight of capital from the Congo since before the former Belgian colony became independent June 30.

South Africa has also been losing capital since racial violence erupted early this year. The government of the Union has tried to reduce the capital outflow by raising basic interest rates.

At the same time, Switzerland and the U. S. have been losing their attractiveness as a haven for capital. **Swiss banks have recently instituted a 1% annual service charge** on current bank balances; authorities are said to fear that Switzerland's boom would be endangered by the presence of much more idle capital.

In the view of one investment dealer, both U. S. presidential candidates are regarded as "soft dollar men", and this is prompting some U. S. investors to buy gold here, or to buy Canadian gold stocks, or simply to buy Canadian dollars.

Said another:

"A lot of foreign investors are starting to look at our equity market. They think it is overly deflated in relation to other markets."

Favored groups of stocks: Natural resources, newsprint

(Continued on page 8, col. 7)

Emigration to U. S. by Place of Birth

(Immigrant aliens admitted to the U.S. whose country of last permanent residence was Canada by country or region of birth)

	July-Dec. 1956	Jan.-June 1957	July-Dec. 1957	Jan.-June 1958	July-Dec. 1598	Jan.-June 1959	July-Dec. 1959
Germany	1,000	1,137	1,248	1,233	917	1,086	1,352
Italy	219	242	501	289	201	232	259
Netherlands	217	305	297	244	195	148	207
Poland	407	333	402	470	397	254	279
U.K. and Eire	2,643	3,344	3,862	2,617	2,252	2,777	3,737
Total born outside Canada	6,577	7,423	8,815	7,083	5,998	6,276	8,169
CANADA	17,194	15,160	18,659	10,586	12,020	10,305	16,645
Total	23,771	22,583	27,474	17,669	18,018	16,581	24,814

Source: U.S. Immigration and Naturalization Service.

Could Our Population Falter and Go Stale?

(CONTINUED FROM P. 1)

many as a percentage of total labor force was .06% at the end of July. Federal employment service office had 524,300 unfilled job openings registered. (An all-time high since currency stabilization six years ago.) Registered unemployed were only 119,351.

This year 35,000 foreign workers from Italy, Spain, Greece, have been brought into West Germany.

An advertising drive to induce skilled workers to move to West Germany is stepping up in many countries. Some advertisements have been published in Ehmann's Die Zeit.

What about Dutch immigrants?

Consulates are getting more inquiries from Dutch immigrants in Canada about procedure for return to Holland.

"Too many of them are working parttime, particularly those with trade skills," ethnic sources explained.

New immigration from Holland to Canada is slowly drying up, they said.

Said a Dutch official recently returned to Canada:

For the first time, this year more Dutch immigrants will go to Australia than to Canada.

Unemployment as a percentage of the total work force is now about .085% in Holland.

In fact, officials say, a state of over-employment exists there. Only 34,000 unemployed are registered out of a work force of almost four million.

"Astronomical Canadian unemployment figures — or so they appear to the average Dutchman — are doing Canada a great disservice," said an authoritative official. —

How Canada Exports Skills

(Immigrant aliens admitted to the U.S. whose country of last permanent residence was Canada, by occupation)

	1957*	1958	1959	July-Dec. 1959
Professional, technical and kindred workers	5,985	5,749	5,146	3,218
Farmers and farm managers	183	212	150	100
Managers, officials, proprietors, except farm	1,096	1,135	873	629
Clerical and kindred workers	4,667	4,971	3,664	2,499
Sales workers	1,151	1,175	966	619
Craftsmen, foremen and kindred workers	4,635	4,713	2,884	2,181
Operatives and kindred workers	2,116	2,057	1,589	1,138
Private household workers	495	390	348	258
Service workers, except private household	1,208	1,441	1,192	802
Farm laborers and foremen	323	214	182	112
Laborers, except farm and mine	1,324	1,643	1,239	824
No occupation (includes housewives, students and children)	23,171	21,443	16,366	12,434
Total	46,354	45,143	34,599	24,814

*Years ending June 30.
Source: U.S. Immigration and Naturalization Service.

Border Jobs Big Factor

Much of the increased border movement represents Canadians who live in border towns and seek work in a nearby U.S. city.

To get jobs in the U.S. most of them take out their "first papers" seeking U.S. citizenship and thus become, technically, immigrants to that country.

Particularly noticeable in this group are Canadian nurses, stenographers and clerks who find a ready welcome in large U.S. centres seemingly perpetually short of good quality workers in these categories.

The movement is particularly noted when business in the Canadian border towns is slack.

They can command higher pay at almost any time in the U.S. than in the adjacent Canadian city.

Still another factor in the statistical increase is a change in procedure made last year, which requires people already living in the U.S. to return to Canada and file an application for a visa.

This enlarges the statistics without a corresponding increase in the number of people actually moving to the U.S.

Anglo American Net 89% Higher

Anglo American Exploration's varied operations generated an 89% increase in funds in 1960's first half ($695,131 against $367,662 in first half 1959) to promote a net earnings achievement of $334,992 ($37,607) in the same period.

Company reports purchase of $123,000 in 5½% notes, committed toward $168,000 needed for sinking fund.

First half:	1960	1959
Gross income	$6,533,343	$6,606,819
Product costs, exp.	5,543,116	5,944,690
Interest	295,096	294,467
Depreciation, depl.	360,139	330,055
Net profit	334,992	37,607

AUGUST OIL DELIVERIES

Estimated deliveries through **Interprovincial Pipe Line Co.'s** system in August are 348,865 b/d. This compares with actual daily deliveries of 341,853 bbls. in July. Actual seven-month pipeline deliveries this year average 361,816 b/d (331,313 b/d in same period last year).

FOR REPORTS ON

Canadian Business

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U. S. Drains More Skills

(CONTINUED FROM P. 1)

dians emigrating to the U.S. is composed of specially qualified people, involving professors, engineers, draftsmen, nurses, teachers and technicians.

For the entire 1959 fiscal year, a total of 34,599 Canadians went to live in the U.S.

If the rate of departures established in the first half of the present fiscal year continues, it will mean about a 50% increase in the number of Canadians crossing into the U.S.

Officials here tell **FP** there has been a considerable increase in the number of U.S. citizens going the other way, but the figures are nowhere near the level of Canadians entering the U.S. Nurses constitute by far the largest single group in the class of professional Canadians coming into the U.S.

In the last fiscal year nearly 1,300 Canadian professional nurses entered the U.S., a significant loss for Canadian hospitals. Another significant loss were the 1,076 Canadian engineers who went to the U.S. last year, including 115 aeronautical engineers.

Canada also lost to the U.S. 424 teachers, 49 professors and five college presidents and deans.

Three thousand six hundred clerical workers went to the U.S., including 1;650 stenographers, typists and secretaries.

About 1,000 Canadian salesmen also went to what they hoped would be the greener U.S. pastures as did nearly 3,000 craftsmen such as carpenters, machinists, mechanics and electricians.

About 1,200 Canadian barbers, bootblacks, bartenders, cooks and waiters went to the U.S. last year, but only 320 farmers.

Also going across the border were Canadians with such diverse occupations as veterinarians (13); auctioneers (3); hucksters (1); cab drivers (59); and charwomen (14).

In addition, of course, these people brought in their families. In the last fiscal year there were 7,576 children under 14 years of age brought into the U.S. from Canada; 6,623 housewives; and 1,436 students.

Looking over the losses in the past three and a half years, the southward trek of Canadian talent looks somewhat ominous. During this period, we have lost 21 college presidents and deans to United States; 231 professors and 1,627 teachers. Almost 5,000 Canadian nurses went below the border in this period, as did nearly 800 surgeons and physicians. In the last three and a half years Canada also lost the talents of 3,827 engineers of various kinds, including 279 aeronautical engineers. It also is significant that although there have been reports that university professors are coming into Canada in large numbers, the statistical facts are that in the first half of fiscal 1960 Canada was losing professors at a rate 75% higher than in recent years.

In the first half of the 1960 fiscal year two thirds of those entering the U.S. from Canada have been Canadian-born.

Most of the rest came from Europe originally. Of the foreign-born Canadians going into the U.S., 3,400 came from the U.K., 1,352 from Germany, 336 from Ireland, 279 from Poland, 259 from Italy and 207 from the Netherlands.

A foreigner arriving in Canada but unable to find a job cannot simply cross over to the U.S. He must enter under the normal U.S. quota for his country and that could mean years of waiting.

One short cut that has been used by a number of foreign-born residents of Canada: marry an American.

Ranger Oil Raises Net Income by 9%

A 9% increase in net profit, $164,000 vs. $151,000, is reported by **Ranger Oil (Canada)** for first-half 1960.

Oil production is up 11% to 63,300 bbl. (57,000 in first-half 1959), while gas is up 21% to 407,500 mcf (335,000) in Calgary firm's first six months.

New Lab to Aid Northern Farmers

Farquhar Construction Co., North Bay, Ont., has won a $198,958 contract from the Ontario government for construction of a new agricultural services building at the demonstration farm at New Liskeard.

Building will service a wide area in the rapidly developing Temiskaming section of northern Ontario. It will have general office, veterinary laboratories, wood and metal working shops and laboratories, etc.

Said Agriculture Minister W. A. Goodfellow:

"Establishment of a complete veterinary laboratory and diagnostic service will be of particular value to the farmers of northeastern Ontario. Completion of the building will mean that northern farmers will have the very best veterinarian service at their disposal."

Building will house an agricultural engineering staff under the direction of a professional engineer, as well as agricultural representatives.

Look for It Here

(August 27, 1960)

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Program Assists Advanced Study

Fellowships of $1,500 annually have been awarded to four doctoral students by **Union Carbide Canada Ltd.,** Toronto.

The recipients and their fields of study:

- Peter J. Downer, McGill University, zoology.
- Joseph E. J. Habowsky, University of Toronto, zoology.
- Mrs. Annette Herscovics, McGill, biochemistry.
- James Laframboise, U. of T., applied mathematics.

Another 60 Canadian students will receive $500 scholarships this year.

Uranium Deliveries At $53.5 Million

Second quarter deliveries of Canadian uranium oxide totaled 2,530 tons valued at $53,541,800.

Shipments in the same period last year were 3,468 tons of U_3O_8 valued at $72,904,300, **Eldorado Mining & Refining** reports.

Choice of the discerning

DUNHILL PIPE . . .

A fine example of the pipemaker's art is found in the shell briar pipes by Alfred Dunhill of London. #44 as illustrated 17.50

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Bootleg Drugs Can be Spotted by Pharmacists

One Canadian drug supplier is warning retail pharmacists to watch for U.S.-made counterfeit drug products (**FP**, Aug. 13).

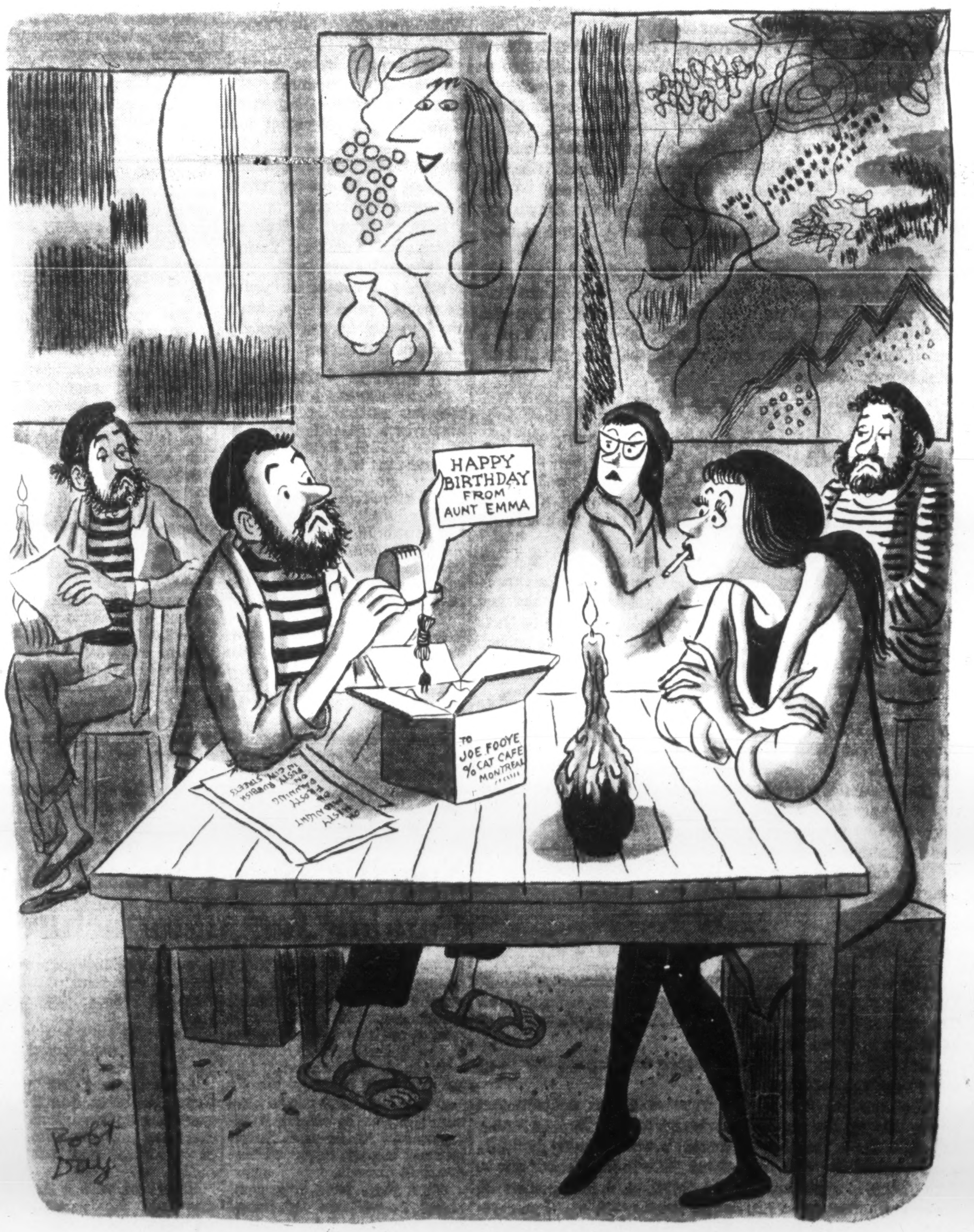
Trade circles told **FP** they are unaware of any marketing of such products.

The counterfeiting operation was uncovered in New Jersey where tablets were apparently being stamped with well-known brand names and sold in bulk packages. Invoices indicated that some sales had been made to Canada.

"We urge you to purchase our products only in properly labeled and sealed containers," **Merck Sharp & Dohme** of Montreal says in a letter to Canadian druggists.

"Material purchased through questionable channels may not be our product, may not be effective for the purpose for which it is prescribed and may be deleterious to the health of the patient."

Merck & Co., the parent U.S. company, was one of the firms whose markings were being stamped on tablets in the New Jersey operation.



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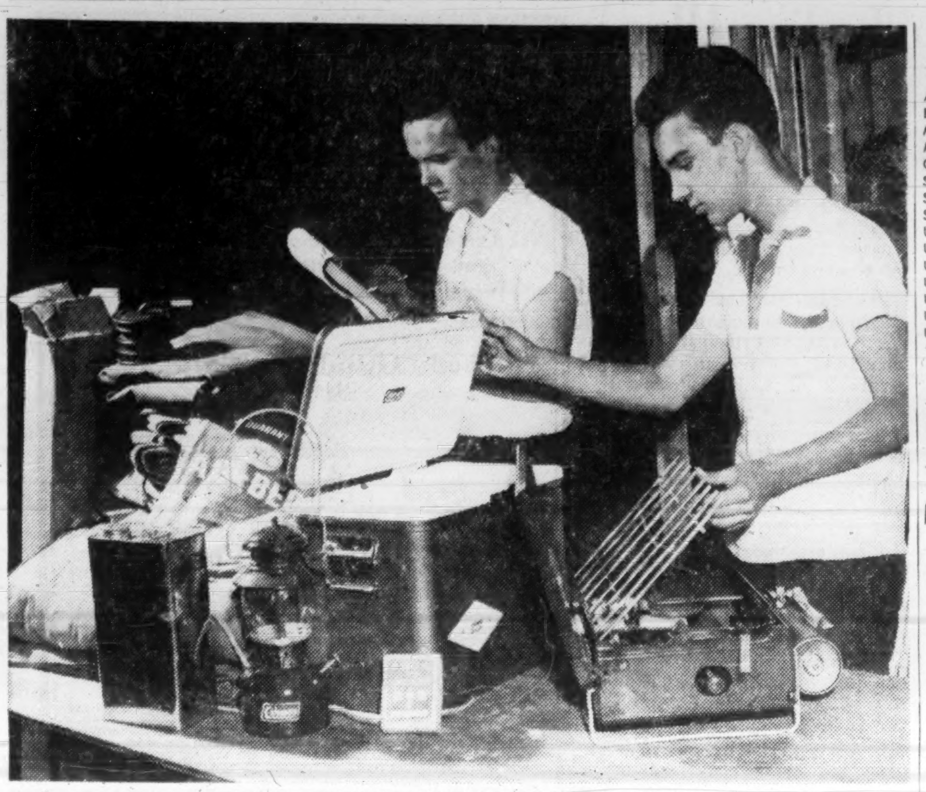

RICHARD (left) and Peter Fenwick check camp gear.

Camp Rentals Pay The College Fees

These teen-agers will put themselves through college on the proceeds of their own camping equipment rental business.

Their secret: "Give people what they need and do a better job than somebody else."

By C. M. SEIFERT

POINTE CLAIRE, Que. — Richard Fenwick, 17, and his brother Peter, 16, originators of **Fenwick Camping Supplies** in Pointe Claire, Que., have a simple definition of the free enterprise system.

"If you give people what they need," says Richard, "and do a better job of it than somebody else . . . you're in."

They know from experience.

Last summer the boys averaged 55c an hour — when they could find jobs.

This summer they expect to repay a $2,000 loan and have enough over to purchase additional equipment for next year.

Their target? College for both in 1961.

With five younger children in the family it had seemed economically impossible.

"I think now we'll make it," Peter says. "We're sure working hard, but we're getting there."

The idea of entering the camping equipment business came during a casual conversation last fall.

The Fenwick family have always gone on camping trips and the boys were discussing the difficulties amateur campers encounter.

"We said they'd have much more fun if they knew what to take, how to work lamps and things, the best places to go," Richard explains. Suddenly Pete said, "**We** know! Why don't we try it?"

They were aware of the tremendous growth of tenting. One site they'd visited in 1955 had 50 campers. In 1959 there were over 1,000.

Provinces and states have improved their camping facilities.

The boys' father, seeing the possibilities, agreed to lend the necessary capital on a business basis, but told the boys they must do the actual work.

"Neither your mother nor I have time," he warned.

After visiting other equipment rental operators, mostly hardware and sporting goods stores, the boys decided to invest in modern light-weight equipment, instead of standard heavy-duty lines.

Next they started collecting information on camping sites in North America, Mexico and Alaska. This information is given free to anyone, customers or not.

Two ads in the local paper produced bookings for the entire month of June. Since, all customers have been referrals.

To simplify operating procedure, their father set up three books:

- **The fact book** contains names, addresses and telephone numbers of anyone inquiring. Also noted is the date and information supplied.
- **A second book** contains all pertinent information on bookings with a check-off for the necessary $10 deposit.
- **The third book** is for outgoing and in-coming equipment and any pertinent customer information. Boys extend no credit. Before the customer takes his equipment out he pays his balance.

A 9 ft. by 12 ft. de luxe tourist tent sleeping five rents for $9 a week; a cottage tent sleeping six is $11 a week. Air mattresses, double, are $2, cots $1, Coleman stoves $2, Coleman lanterns $2, large food coolers $2.

Of the average 25 telephone calls a week, about five are for camp-site information. The remaining 20 are serious inquiries.

The boys always ask returning campers particulars of the places they've been. In this way they add to their information.

Questions from campers are pretty much the same: What to bring and where to go.

On what to bring, the boys find out how many people are involved and then recommend the proper size tent or trailer, cots or air-mattresses, cooler, stove and lantern. They advise baggage be kept to a minimum but sweaters are a must.

Where to go depends on the time available, ages of the family and their preferences—water, mountains, etc.

Customers are shown exactly how to put up a tent, operate a stove or lantern and are given lists of instructions.

Tents are easy to erect—no centre poles — and all have floors and large, screened nylon windows.

Equipment is examined and cleaned as soon as it is checked in. Peter says there's always something to do—a rip in a tent to be repaired, a missing rubber plug from an air mattress to be replaced, and wet things to be thoroughly dried.

Since the success of this business has been personal service, the boys provide many little items. Extra mantles for lamps, inflators for mattresses, small things the inexperienced might overlook.

They always check with the customer to ensure he hasn't forgotten something important. One family had forgotten all about cutlery.

Realizing a 10-week season is short the boys are planning for [illegible] They've managed to book a tent trailer for the month of February for a family going to Florida.

They feel there's a big potential market for camping equipment for families who take winter holidays down South.

Skin diving equipment will be added for next summer's operations . . . and they're training Robin, 12, to help out.

"He'd better learn now," says Peter. "He's next in line."

Alberta Farm Income Down, Mineral, Forest Output Up

From Our Own Correspondent

EDMONTON — Farm income slipped in Alberta in the first half of 1960 but forestry and mineral production increased.

These conclusions are offered in a report on business conditions released by the provincial bureau of statistics.

Farm income from all sources during the period dropped by 7.7% to $212,294,000.

Here is a rundown on other sections of the economy:

- **"Value of manufacturing shipments held firm** — higher volume compensating for lower prices.
- **"Electric power generation** continued to increase steadily.
- **"The construction industry** appears fortunate nearly to have maintained its 1959 pace, but prospects for the second half of the year do not compare favorably with 1959.
- **"Labor income** is holding firm. Retail sales (exclusive of motor vehicles) are showing normal year to year increases.
- **"Value of minerals** sold is more than 8% higher than last year and actual production — particularly of petroleum by-products — 'is much higher'."

Coal production for the six months was down by 10%, but sales during May and June were nearly 20% above the same months in '59.

Value of manufacturing shipments increased, but the price per unit has fallen slightly.

New plants coming into production this year are expected to increase the value of production to well over the $900 million mark.

Residential construction is down substantially. To the end of June, construction had started on only 2,755 dwellings, against 4,746 at the same time last year.

Total value of all types of construction in 1960 — estimated at $878 million — was expected to top last year's figure of $817 million.

Total retail trade figures, available for the first five months, show trade down by 1.8% to $516,326,000.

Hardest hit:

Furniture, appliance and radio stores — down 11.9%.

A 10.2% slump was reported by automotive supplies dealers.

Wholesale trade dropped .8% to $396,327,009.

Sales of new motor vehicles stood at 18,514 units, off 14.7%. The value was $58,970,000 — off 13.7%.

Plan Conference On Labor Topics

The 12th annual conference of the Industrial Relations Centre of McGill University will be held Sept. 8-9 in Montreal.

Five speakers will take part, with each speaker allotted a half day for his presentation and discussion.

Speakers: Joseph Shister, chairman of Department of Industrial Relations of University of Buffalo; Sharman K. Learie, manager of Niagara Industrial Relations Institute; H. D. Woods, professor of Industrial Relations at McGill; Cleve Kidd, research director of United Steelworkers of America; and J. Calbert Best, national president of Civil Service Association of Canada.

How Business Courses Compare

	Total hours per week*	Course (years)	Instruction %	Interpretation %
Assumption University	14	3	34	66
Bishop's University	6	2	66	34
McGill University	15	4	58	42
Mount Allison University	15	4	48	52
Queen's University	12	4	..	..
St. Francis Xavier University	9	3	25	75
St. Mary's University	13	3	88	12
St. Patrick's College	4	2	50	50
University of British Columbia	6	2	65	35
University of Manitoba	5	2	78	22
University of New Brunswick	6	2	70	30
University of Ottawa	18	4	64	36
University of Saskatchewan	19	3	19	81
University of Toronto	8	4	23	77
University of Western Ontario	10	2	50	50

*Number of weekly hours in whole course (e.g. Assumption gives four hours a week in second year, three in third and six in fourth, for a total of 14).

How Our Colleges Train New Bosses

Instruction to give students a broad business education varies across Canada. A FP survey shows what 15 of our colleges and universities are doing in this important field.

By AMY BOOTH

In today's era of increasing specialization, should tomorrow's management be the new "jack of all trades", and the worker the "master"?

Specifically in the field of finance, how much detailed knowledge should tomorrow's businessman have of accounting procedure?

Should he be able to calculate that his company has a "negative cash flow"? Or will it be sufficient for him to recognize, when someone else has done the calculation, that this may mean his company is "going broke"?

In other words, are today's students of business being trained to meet tomorrow's needs?

In an attempt to find some answers FP made a survey of the teaching of accounting in courses leading to degrees of Bachelor of Commerce and Bachelor of Business Administration in universities throughout Canada.

The accompanying table gives an indication of how the universities are training tomorrow's business leaders.

The first two columns give the total number of hours per week devoted to accountancy at each college and the number of years in which the subject is given.

Assumption University, Windsor, Ont., for instance, requires students to take accounting in the second, third and fourth years of a four-year course. In the second year, five hours are given, in the third year three hours and in the fourth, six hours.

The other two columns show the percentage of time devoted to instruction in methods—how to set up accounts, prepare financial statement, etc. — and the proportion of time devoted to instruction in the interpretation of accounting records and their uses as aids to management.

The results vary greatly, partly because of differences in classifying what is "instruction" and what is "interpretation."

In colleges giving accounting in all four years, University of Toronto devotes the smallest number of hours to that subject, yet the largest percentage of time to interpretative study.

Students from University of Saskatchewan are given more accounting — 19 hours weekly — than students from any of the other universities surveyed. They also devote the greatest percentage of time to interpretation.

Between these two is St. Mary's University, Halifax. Students get 13 hours a week in accounting over three years. Of this time, 88% is instruction and the balance devoted to interpretation.

But what to one professor may be considered interpretive study may to another be a mechanical exercise.

The University of Toronto, for instance, classes all its instruction after the first year as interpretive.

Its course of instruction given to second and third year students is made up of these topics:

- Methods of classifying, arranging and presenting accounting data in financial statements and reports.
- Principles, assumptions and limitations inherent in the methods used to determine accounting income and asset valuations, and the variety of different results they can produce.
- Stock and bond equities and their treatment in accounts.
- Methods of combining accounting figures of individual enterprises to produce consolidated financial statements for groups of companies, sector accounts and national accounts.
- Financial and cost planning, analysis and control.
- Legal responsibilities of public accountants and the significance and limitations of audit reports.

At least three of these topics could be considered technical by some schools.

McGill's Professor of Accounting Kenneth F. Byrd insists that interpretation cannot be separated from accounting treatment on any rigid basis. At McGill, mechanics and theory are interwoven. Students there do not learn merely how to set up accounts. They must understand the fundamental principles and objects.

The policy of the School of Commerce and Business Administration at Queen's is to provide a broadly based education for a career in business, rather than a high degree of specialization in any particular function or technique.

In the main, the table is based on compulsory study only. In addition, however, many colleges offer optional courses.

St. Francis Xavier University offers special courses of three hours a week each in both the third and fourth year to students majoring in accounting.

University of Western Ontario offers optional courses in financial and industrial accounting and in auditing to fourth year students.

Statistics used to compile percentages for the University of Manitoba and University of British Columbia are for courses taken by students not specializing in accounting or not likely to enter professional accountancy.

But many graduates do enter this professional field. And their college background seems to have served them well. Of 646 students who wrote chartered accountancy final examinations in 1958, only 52% passed on the first attempt. But 77% of the group who did make the grade had Bachelor of Commerce degrees.

What skills business will require of its management by the time today's students are climbing to the upper rungs of the ladder have not yet been determined. But demands for executives in the balance of this year and next have been surveyed (FP, July 16).

Executives with accounting experience will be in sixth place, following sales and marketing, engineering, manufacturing and general management qualifications.

Grads Only To Be CAs?

By 1970, entrance to chartered accountancy may be restricted to university graduates.

That's the recommendation of a sub-committee of the Canadian Institute of Chartered Accountants.

"While this report has not yet been adopted pending its consideration by each provincial institute, acceptance of this proposal seems to be indicated," CICA president James G. Duncan says.

Chairman of the sub-committee on long range educational planning is W. F. Martin, FCA.

Another committee has recommended that the CICA undertake a formal program of continuing professional education for chartered accountants in Canada.

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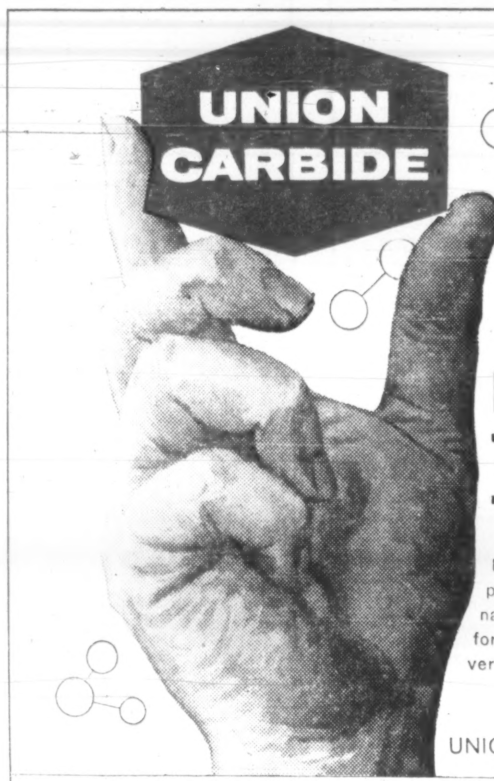

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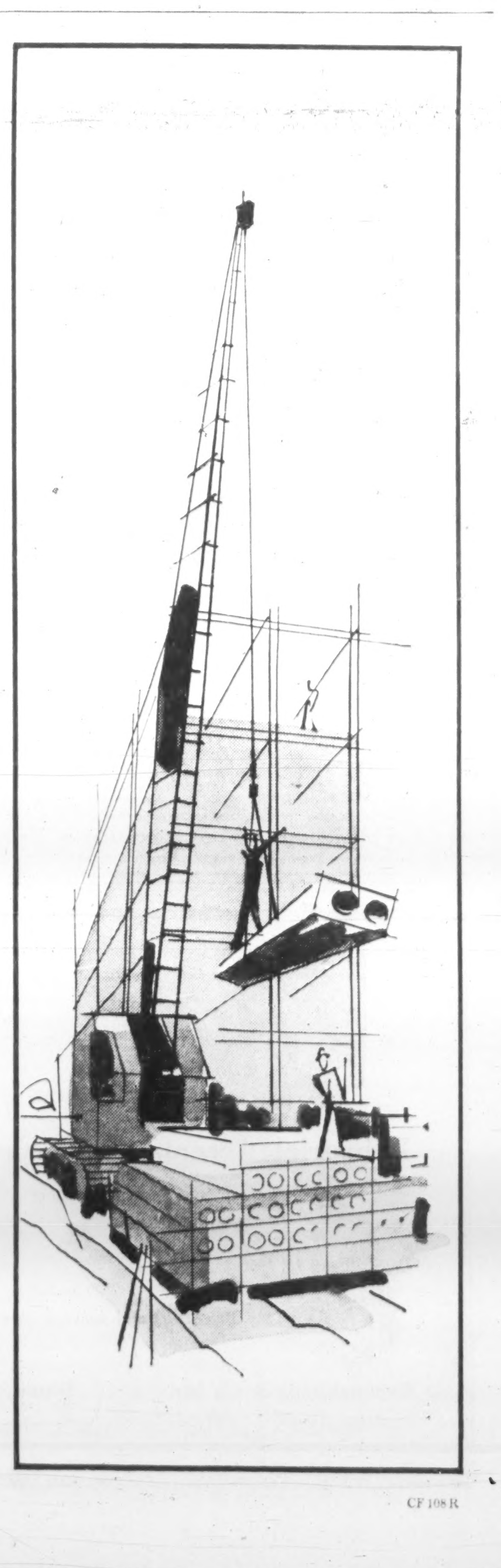

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INVESTMENTS

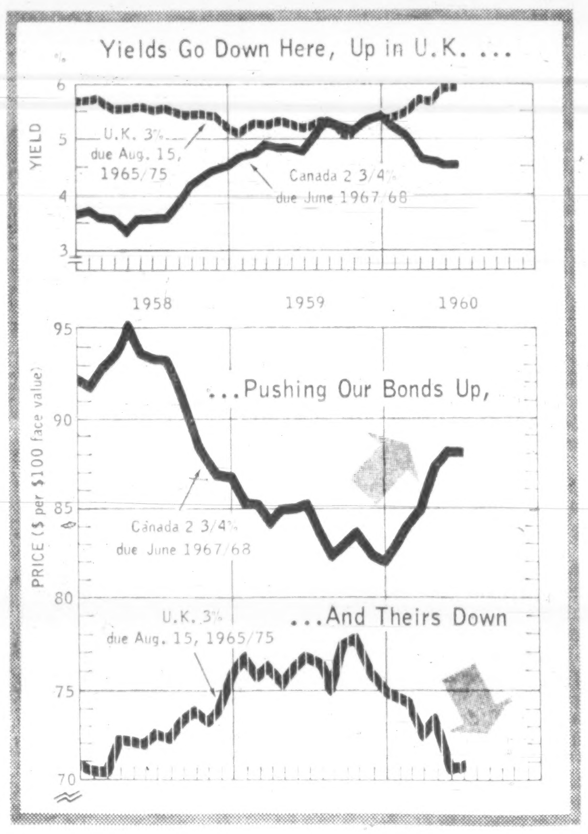
Slower Business Aids Bonds Investors Watch U.K. Now

By PAUL S. DEACON

NOWHERE are the divergent directions of North American and European economies more apparent than in the prices of their bonds.

Interest rates in Canada and the U. S. have been dropping as business and demand for loans stayed below expectations. This pushed bond prices up.

Overseas, the strength of demand for money, and measures by the money managers to slow down the rate of economic growth, have led to higher rates. This pushed prices there down. (For comparison of U. K. and Canada trends, see chart.)



In the U.K. and Europe, also, common stocks are still popular, even though some of their earlier glamour has diminished. With business still strong, and governments concerned with the threat of inflation, investors are more interested in capital gain than in the assured income that bonds can provide. So the prices of their bonds have been dropping to produce yields high enough to attract buyers.

In the U.S., bond buyers have been much more eager ever since the Federal Reserve authorities began moving to ease credit recently. The Fed's actions have included measures which add to the commercial banks' lending power, reductions in the discount or bank rate (to 3½% in June and to 3% Aug. 11), and the lowering of margin requirements on stock market credit to 70% (90% before).

In Canada, although the chartered banks' reserves have been left virtually unchanged, natural market forces have helped to make money easier and cheaper to raise.

The money supply has remained relatively constant, but demand for loans has not been as pressing as had been looked for earlier. A lower level of new housing has brought mortgage interest rates lower. The federal government has greatly reduced the level of its borrowings this year as its deficit has narrowed. Corporations have been building up their cash position from internal sources, and have not come to the securities market in any volume.

All this has helped make investors in Canadian bonds more aggressive in their buying.

Now, with active measures to reduce interest rates in the U. S. and bond prices rising there as a result, our bonds become more attractive in comparison with theirs. This adds to the pressure toward higher prices.

The cumulative effect of these changes has brought about a spurt up just recently.

The 3¾% Canada bonds due 1975/78 yield only 4.84% now, against 5.08% at the end of July, boosting the price to $86 per $100 face value, from $83.75.

In the same period, Ontario 5% bonds due 1977/79 have risen from $99.75 to $101; Quebec Hydro 5½% bonds due 1979/82 from $99 to $99.75.

Many corporate bonds, of such firms as **Abitibi Power & Paper, Imperial Oil,** and **Bell Telephone of Canada,** have risen by about $1 in this relatively short time. Changes since March have been still greater.

With unemployment still a problem, and the business outlook uncertain, investors may be considering that any changes in bond prices in the coming months are more likely to be up than down. Government moves in Canada, as in the U. S., are likely to be in the direction of encouraging business, it's reasoned.

There is some financing ahead to hold prices down. There are rumors of an impending issue of the government-owned **Canadian National Railways.** There should also be some large financing in connection with the new pipeline projects in Western Canada.

Investors looking beyond Canada are watching the U. K. bond market closely.

After their long drop, U. K. bonds are once more beginning to look interesting. As a U. S. investment house pointed out recently, the restraint imposed by U. K. authorities through credit controls and a jump in the bank rate, have been taking effect.

Britain's economy slows down, credit may be eased again before many months are passed, to keep business from dropping off too far.

This may present the kind of buying opportunity that Canadian bonds did when the U. K. bond market started its fall.

Gatineau Pwr. Profit Up 6%

MONTREAL (Staff) — Net profit of **Gatineau Power Co.** for six months ended June 30 was $2,397,900, or $1.20 a common share.

This was an increase of 6.1% over $2,259,100 ($1.12 a common share) in corresponding 1959.

Not included in income was $9,750,930 received from the New Brunswick Electric Power Commission as compensation for expropriation of the main part of the company's properties in New Brunswick and for flowage lands which the Commission agreed to purchase.

Actually Gatineau Power is seeking compensation of $19.6 million and has taken action in New Brunswick Supreme Court (**FP**, April 9).

The funds already received have been invested in high-grade bonds until required to defray costs of expansion of company's distribution system in Quebec.

Operating revenue for six months was $9,635,600 against $9,185,900, and other income was $356,000 against $155,200.

Total amount received was $492,213, representing interest at 5% from May 1, 1959, to May 1, 1960.

Higher operating revenue reflected increased demand for electricity and sale of excess power available as a result of excellent water conditions.

Increase in expenses from $5,196,900 a year ago to $5,733,600 was due to purchase of additional firm power, higher taxes and increased operating costs.

6 mos. ended June 30:	1960	1959
	$000	
Operating revenue	9,635.6	9,185.9
Add other income	365.0	155.2
Less: power purchased	924.5	663.5
Op., maint., gen. exp.	1,858.2	1,818.5
Taxes, inc. inc. tax	2,950.9	2,714.9
Int., amort., etc.	1,860.1	1,885.1
Net profit	2,397.9	2,259.1

Note

By VINCENT EGAN

GOOD BUYING, much of it from the U. S., again characterized the bond market this week.

How deep is the new strength in bond prices? The answer could come soon if even some of the current expectations of new issues materialize.

Rumors suggest financing soon not only by **Canadian National Railways** but also by Manitoba and Saskatchewan, among others.

Then there is the usual crop of guesses about stock offerings. Names being mentioned include **Toronto-Dominion Bank** (a rights offering), **Consumers' Gas** and **Argus Corp.**

* * *

Price has been set at $19.75 per share, to yield 6.33% on the 6¼% $20 par preferred stock issue by **Imperial Investment Corp.** (FP, Aug. 13).

While total amount of the current financing, by a syndicated headed by **Nesbitt, Thomson & Co.,** remains $6 million, the preferred issue was finally set at $2 million. The remaining $4 million consists of 6½% 20-year debentures, non-callable for 15 years, at par.

* * *

Municipals: Montreal will open tenders Aug. 30 for $5,098,000 20-year serial debenture issue . . . Sherbrooke plans to borrow $1.1 million.

* * *

Offering of the 1959 series of Canada Savings Bonds will end Aug. 31, Finance Minister Fleming has announced. Current price is 104.15, maintaining the 4.98% yield to maturity.

There is a 3% tax-free bonus on bonds held to maturity.

* * *

Acceptance companies have again reduced their rates on short-term collateral trust notes by 0.25%. A similar cut was made recently (**FP**, Aug. 6).

Here are the new rates being paid by leading firms:

Maturity	Rate
30- 89 days	3%
90-179 days	3¼%
180-269 days	3½%
270-364 days	3¾%

Bowling Alley Properties Change Hands

United Principal Properties Ltd., Toronto, says it has purchased Canada's largest chain of bowling alleys.

Although the chain was not identified it is known to have been owned by **Principal Investments Ltd.,** Toronto, an associate company of United Principal Properties.

The chain comprises 266 bowling lanes in 13 establishments — 10 in Ontario, and one each in Quebec, Manitoba and Saskatchewan.

Plans are under way to expand these operations by an additional 250 lanes, President D. E. Bennett of United Principal Properties reports.

Some of these locations are now under construction and the rest will be completed within two years, he says.

Lanes acquired by the company are being converted to automatic pin-setting equipment supplied by **Brunswick-Balke-Collender Co. of Canada,** Dixie, Ont.

Principal Investments placed a $1 million-plus order for automatic pin-setters with the Dixie company about two months ago (**FP**, July 9).

Purchase of the bowling chain by United Principal Properties was on the basis of a long-term payout, and does not involve the issue of any new shares of the company, the president says.

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New Issue

$7,500,000

Industrial Acceptance Corporation Limited

6% Secured Notes Series "W"

Dated August 15, 1960 — *To mature August 15, 1980*

Price: 100 and accrued interest

Greenshields & Co Inc — Wood, Gundy & Company Limited

UNITED DOMINIONS TRUST LIMITED
(Bankers)

Vastly increased strength in every department

The following are extracts from the address by the Chairman, Mr. J. Gibson Jarvie, at the Annual General Meeting held in London on 16th August, 1960.

For the fifteenth year in succession following the war, your Board are privileged to submit Accounts disclosing vastly increased strength in every department.

Capital and Reserves have risen during the year from £14,865,431 to £21,449,921. To that figure, however, must now be added the £6,000,000 being the final call on the recent share issue, paid on the 22nd July.

Rebate of Interest and Deferred Income has climbed from £8,159,320 to £12,405,913, an accretion of over 50%.

Quoted investments standing in the Balance Sheet at £1,254,965 had, at 30th June, a market value of £1,729,507, an excess of almost half a million: Treasury Bills exceed £1,000,000: Balances at Banks and in Cash have jumped from £10,511,338 to £14,318,408: the Current Assets of the group at 30th June stand at £168,091,766. Bank Loans and Acceptances have risen by approximately £4,000,000 to £32,738,758 and Current and Deposit Accounts amounting to less than £64 million last year, now exceed £100 millions. The aggregate figures in the balance sheet have climbed from £119 millions last year to £174 millions this year. I think you will agree that this is a remarkable showing.

Further, during the year the companies in the group charged against general reserves goodwill amounting to £663,605, and wrote off over £200,000 being the cost of equipment purchased. In keeping with our former practice, there is no goodwill or other intangible assets of any kind at all in the balance sheets of the group.

GROUP'S WIDESPREAD RAMIFICATIONS

In the Accounts there are some 43 companies listed: of those companies, two are conducting an orthodox banking business: two are investment trusts and issuing houses: one is a credit insurance company: one is a company providing capital for industry (eight others have been formed overseas): three are engaged in engineering: one conducts the Futures Markets for sugar, cocoa, shellac, coffee and wool tops: and two are property companies.

Regarding our overseas companies, apart from the Bank of Trinidad, some are handling an amount of instalment business but they are also financing import and export shipments, goods in warehouse and other purely banking transactions.

Only one company in the group, U.D.T. (Commercial) Ltd., is concerned almost exclusively with hire-purchase and whilst its figures are important in the group, it is *not* the whole group, and all the other components are steadily growing in size and importance.

RECORD OF STEADY EXPANSION

The history of your company suggests sheer romance. In the forty years of its life, it has not only established over 70 branches in this country but it has founded or bought companies in nine different countries abroad, all in the British Commonwealth. And all of these companies are making profits and growing in influence and importance in their different parts of the world. The basis of our operations has consistently broadened: today we are serving practically every industry and providing the kind of services which modern needs demand.

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507 PLACE D'ARMES, MONTREAL

Find Low's Firm 'Not Acceptable'

After an investigation of a plunge in stocks of Latin American Mines, Toronto Stock Exchange has advised Steven Low's Developers Entente it is no longer acceptable as an underwriter of listed securities.

Steven Low, president and promoter of **Latin American Mines**, and his underwriter firm, **Developers Entente of Canada Ltd.** (FP, June 4) contributed to the rapid decline in price of the company's shares in July, the Toronto Stock Exchange says.

Low has resigned as a shareholder and director of **G. H. Rennie & Co.**, Toronto stockbrokers, and Developers Entente has been advised by the TSE that it is no longer acceptable as an underwriter of listed securities.

(Low says he resigned Aug. 8 from the Rennie firm "for reasons unrelated to Latin American.")

The TSE has just completed an investigation of the trading in Latin American stock which led up to the sharp plunge in price from $1.40 to as low as 31c in mid-July (FP, July 16, 23).

The TSE statement says:

"Based solely on examination of the trading, it would appear that the rapid rise in price was followed not surprisingly by a greater reaction, representing taking of profits and accelerated by stop-loss orders and liquidation of accounts which became undermargined, on the decline.

"During the four-day period of rapidly falling prices, the underwriter made no attempt to maintain an orderly market. In fact, the firm traded on only one day of the four, when it sold 30,000 shares.

"In the opinion of the Board of Governors, Mr. Low and his underwriter company must bear a considerable responsibility for the rapid decline in price by failing to act under these circumstances."

The TSE regards as a "contributing factor" the fact that **Winchester Corp.**, Nassau, Bahamas, controlled equally by Low and a trust in favor of his family, sold a sizable block of Latin American shares to a Nassau broker-dealer shortly before the market break.

Although full details are not immediately available, it would appear that on balance, some 215,285 shares were disposed of from that source in the period July 6 to 14, the TSE states.

The investigation has revealed no evidence of excessive short selling which would warrant the description of a "bear raid".

(At the time of the market slump, Low stated that unregistered short sales over four days made up a "big bear raid" which knocked down the price.)

The TSE found that in the period reviewed, total short selling was some 400,000 shares or approximately 6% of the total trading. During the four days referred to, the percentages were 5% on two days and 3% on two days.

A detailed study of transactions representing short sales has revealed that the trading was in accordance with the bylaw with the exception of a few isolated instances which will require further analysis, the TSE states. The total involved is of a very insignificant amount.

Low bought control of Latin American as a shell from **Frobisher Ltd.** (FP, March 5, June 4) and subsequently distributed a block of shares to the public.

The company owns a copper property in northern Chile. This week, it was reported that drilling to the value of $60,000 is included in a $150,000 development budget which will be used to establish the extent of copper ore at the property.

A report from the resident engineer says that an adit, 150 ft. below the surface mineralization, has been driven some 500 ft. and averaged 3.59% copper over drift width.

The first cross-section is being driven now from the 400-ft. mark of the adit. A width of 120 ft. has been set with one limit still to be determined.

A raise is being driven to the surface to provide ventilation for continuation of the adit to a total of 1,500 ft.

CHEESE SALES UP

Acquisition of **Cherry Hill Cheese Co.**, Thamesford, Ont., by **Pet Milk Co. (Canada) Ltd.** (FP, May 7), has proved highly satisfactory to its parent. Half-year report of parent **Pet Milk Co.**, St. Louis, Mo., says Cherry Hill sales have exceeded expectations, and company anticipates a contribution to earnings this year.

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ANNOUNCEMENT
LABATT'S MANAGEMENT APPOINTMENTS

J. H. BEATTY

R. S. H. BRADBROOKE

J. H. Moore, President of John Labatt Limited, announces the appointments of J. H. Beatty as Vice-President and General Manager, and R. S. H. Bradbrooke as Vice-President of Labatt's Saskatchewan Brewery Limited, a new brewery with head office in Saskatoon, established to produce and market Labatt's products in Saskatchewan.
Mr. Beatty was Assistant Treasurer of John Labatt Limited in London and is a native of Winnipeg.
Mr. Bradbrooke, a veteran of 21 years in the brewing industry, was former manager of the Saskatoon Brewing Company in Saskatoon.

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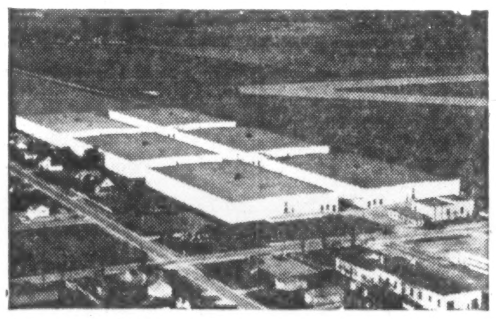
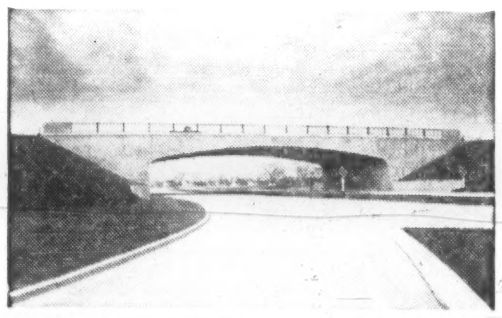

Each of these huge rack warehouses for Hiram Walker & Sons Ltd. was built in 5 months. Each unit contains over 1,000,000 board feet of structural fir timber, 1,100 footings and 40,000 concrete blocks.


In one 18-hour shift 1,200 yards, or all the concrete, except for footings, was poured on this 401 overpass—a record in Department of Highway files.

One of eleven stores built for Dominion. This unit at SCARBORO was completed in 6½ months.

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AIRPORT ROAD WINDSOR, ONTARIO
EC GENERAL BUILDERS EASTERN CONSTRUCTION

Why They're Moving

Facts and comment on what's going on in the market and rumors behind some of the moves.

By P. T. DURRANT

PERFORMANCE of the chartered bank stocks—regarded by many as a significant indicator of future trends—is one of the brighter spots in current market action. Good gains have been posted by most of the stocks, with one (**Bank of Montreal**) touching a new high for 1960 this week.

Sparking the upswing in prices was the recent drop in treasury bill yields, which brought the discount rate down to 2.91%, the second-lowest in two years. Market observers feel this could indicate a trend toward easier money. This would make bank stock yields more attractive—something that has occurred already as bond yields have dropped.

Most bank stocks climbed to their highs for the year in the early months, then softened before mid-year. Prices remained relatively unchanged until a month ago, when the present rally got under way. Gains in the past month have ranged to $5, and all are selling above prices of three months ago.

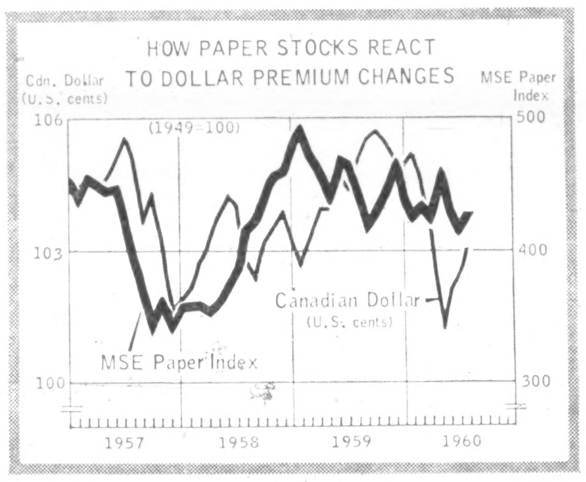
All eight stocks in the accompanying table are priced below a year ago; in fact, trading peaks this year have not yet reached the levels of August, 1959. T[illegible] is how these stocks have been trading:

	Recent	Month ago	ago	Year ago	1960 range High	1960 range Low
	$	$	$	$	$	$
Commerce	56	51	50¾	59¾	56	46¾
Imperial	61½	58¼	56¼	72¼	63	52
Montreal	56	51¾	51	58⅞	56	47¼
Nova Scotia	62½	58	62	77½	71¼	56¾
Royal	71¼	66½	69¾	83¾	80	65½
Provincial	35¼	35	34	41¾	41	33½
Toronto-Dominion	55¾	51¾	52¾	61	56	48½
Cdne. Nat'le	53½	52	51	56½	55⅞	47½

* * *

"Dollar discount loss" is a familiar phrase to shareholders of Canadian pulp and paper firms, particularly the newsprint makers. In recent years, the premium of the Canadian dollar over its U. S. counterpart has made a marked dent in revenues of newsprint producers, who sell the largest part of their output in the U. S. and are paid in U. S. funds.

Since 1957 the premium has ranged from just over 1% (in May this year) to more than 5.5% (in October, 1959). The accompanying chart shows the relative movement of this premium and of the Montreal Stock Exchange index of 10 paper stocks.



Although there are several other factors which have an important influence on paper stock prices—general market trends and business conditions, developments affecting individual companies—the chart does illustrate that stock price movements are affected by the premium level.

Most recent example of this influence was in May this year when a quick decline in the dollar premium was accompanied by a climb in stock prices (MSE paper index set its high for 1960 in that month). This has been followed by an easing in market prices as the premium edged higher again.

In 1958 the dollar premium was at its highest at mid-year. Stock prices, as reflected by the MSE index, climbed moderately in the first six months, then advanced strongly for the remainder of the year as the premium fell back.

Late in 1957 the premium dropped sharply, but the paper stocks, caught up in the prevailing market decline, failed to react to this favorable development.

This is how some stocks have moved: **Abitibi Power & Paper** at recent price of $39¼ is off from $40 at end of May but is selling above the October, 1959, price of $37½ when the premium was at its peak. **Great Lakes Paper**, a strong performer earlier this year, has lost over $4 since end of May, and **St. Lawrence Corp.**, which moved up to its high of $18½ in May, is now back to $17.

* * *

Shares of Canada's two major telephone companies are showing strength. **Bell Telephone** touched a new 1960 high ($46⅞) early this week, lifting the stock $1 above end of July. **British Columbia Telephone** at $46 has eased from last week's $46½ high; gain for August is about $2.

Trans Mountain Oil Pipe Line earned 31c per share in first half, 1960, vs. 5c a year earlier. **Pemberton Securities Ltd.**, Vancouver investment firm, reports that Trans Mountain's deliveries in the present quarter will decline sharply as a result of maintenance shutdowns by some British Columbia refineries. August deliveries will drop to 70,000 bbl. a day from second quarter average of 128,000 bbl. Company's stock trades steadily in the $8-$9 range.

Western Plywood Class B stock, traded mainly in Vancouver, is down 50c at $11 in recent action. High for 1960: $16. Pemberton Securities says second quarter earnings dropped to average of $62,000 per month from $76,000 in first three months.

"With increasing competition in the industry, profits for the second half might well show a further decline but net profit for the full year will still be quite healthy," Pemberton comments. (Company earned $2.07 per class B share in 1959.)

Board meeting of **Bowater Paper Corp.** to consider the interim dividend on the ordinary stock, will be held in London, Eng., on Sept. 1. Dividend will be payable to shareholders of record Sept. 15. Last year company paid 28c plus a stock dividend of one ordinary share for each five held. Bowater shares started the year at $10¼, dropped to $7 before moving up to recent price of $8⅝.

Exchange Warns B. C. Electors

Vancouver Stock Exchange has warned British Columbia electors that the investment climate for the province's oil and gas industry could be directly affected by the results of the Sept. 12 provincial election.

The Exchange's monthly bulletin points out that, in the next three years, the natural gas and oil industry will require more than $450 million, most of which will have to come from outside the province.

From $70 million to $90 million will be required for drilling this winter, says the VSE. The new gas gathering pipeline for northern British Columbia will cost more than $100 million.

The ability to raise this money is wholly dependent on the confidence with which investors regard the political climate, the exchange says.

It adds that the oil and gas industry is sensitive to "nationalistic or socialistic attack".

Teleflex Sales, Net Down in Half Year

Teleflex Ltd. reports net profit of $62,785 (22c per share) for first half 1960, down 74.7% from $247,762 (99c) in corresponding 1959 period.

Sales in the six-month period amounted to $3,113,837, 5.9% lower than $3,308,854 a year ago.

At the annual meeting in May, President R. C. Dobson, Toronto, said that first half sales and profit would not equal those of a year earlier, but for the full year both are expected to be higher than in 1959 (FP, May 21).

Teleflex earned $262,273 (91c per share) on sales of $6.2 million in 1959.

Teleflex is a Canadian company, but major part of its business is in the U. S., where it has a wholly-owned subsidiary, **Teleflex Inc.**, in Philadelphia.

Teleflex Inc. makes flexible mechanical remote controls and linkages.

The Canadian parent acts mainly as a sales agent in Canada and also markets products of an affiliated U. K. company, **Teleflex Products.**

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Ford Shows New Models Next Month

Reverting to one-shift production at its Oakville assembly plant, **Ford Motor Co. of Canada** also has announced that its 1961 models will be introduced to the public about the end of September.

Production will commence Aug. 29 after a four-week shutdown for annual vacation and model changeover.

"Phasing in of the 1960 models will be developed at a more gradual rate in order to permit an orderly build-up of inventories in dealerships across Canada," company announced.

Dealers still have considerable stocks of the 1960 models on hand, it is reported.

Two-shift production last year ran into about a 10% decrease in demand for the company's automobiles.

Return to one-shift operation will reduce the hourly-paid work force at Oakville by 950, to 2,600, and will cut 150 from the working force at the Windsor plants making engines and component assemblies.

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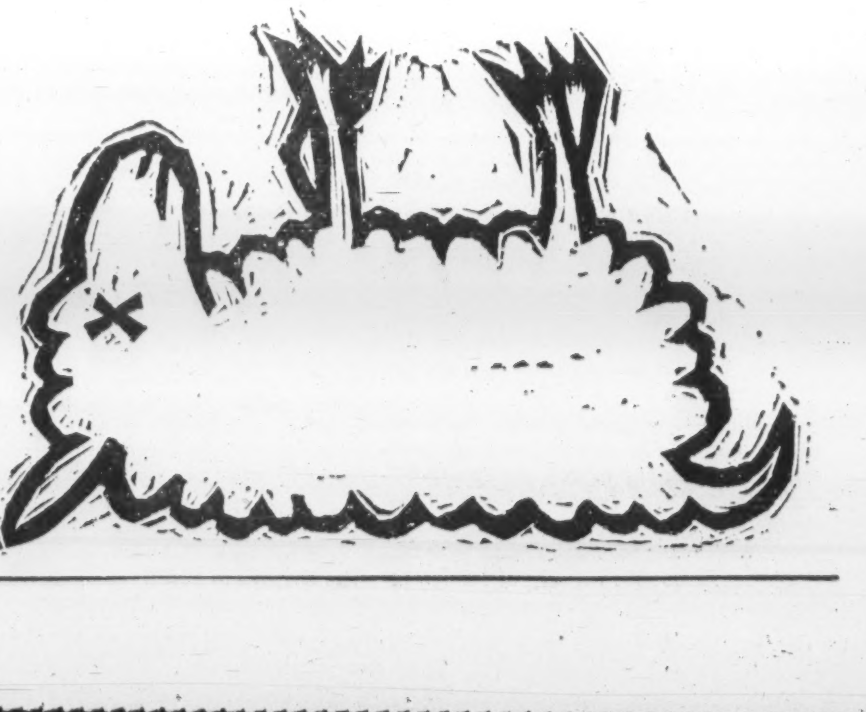
"there's no money in dead lambs"
This is the kind of reply John Burns gives when people congratulate him on the successful sheep farm he operates.
John has been breaking records for years in the breeding of sheep . . . in the high survival rate of his new lambs . . . in the long productive life of his ewes . . . in the consistent quality of his wool. Neighbors account for his success in the attention he pays to detail.
One of the things John Burns gives detailed attention to is his regular copy of The Country Guide. "The Guide keeps me up-to-date on the latest in livestock development — it's a must on my reading list," he says.
The Country Guide reports everything of consequence in agriculture all across Canada, takes it to subscribers in every province . . . from wherever it happens to wherever it matters.
This vital editorial program has earned The Guide 1,105,000 readers . . . and made it the farm magazine advertisers rely on too.
THE Country GUIDE
ADVERTISERS PROFIT FROM GUIDE INFLUENCE CANADA'S NATIONAL RURAL MONTHLY



Good Angle for Canada

Canada's voice was raised to excellent purpose in the United Nations last week. At the urging of External Affairs Minister Howard Green, UN has demanded that "international," meaning Russo-American, talks on disarmament begin again at the "earliest possible" date.

In this performance, Canada was playing a useful and above all appropriate role.

Before Mr. Green intervened in the debate at New York, it looked probable that the arms issue would be referred to UN's 82-member Assembly. This would really have meant shelving it since the unwieldy Assembly, mainly an arena of oratory, is no place to get results in a tough, practical controversy that can only be resolved by the two strongest powers.

It was Howard Green who argued the case for "negotiations," as against ineffective pontificating and wrangling in the Assembly. His high seriousness made a deep impression. The U. S. and Russia both accepted his proposition (they couldn't do otherwise without losing face) and this looks like a guarantee that, in fact, negotiations will be resumed.

Canadians of all parties will feel disposed to congratulate the minister on his performance. He showed convincingly that Canada is no satellite but fully capable of taking an independent line.

But he didn't speak for Canada alone. In his finest hour at UN to date, he was a spokesman for humanity in general. The world is on the verge of destruction, as he truly said, and indefinite prolongation of the arms race will sooner or later push us over the brink.

There may be skepticism about the chances of real progress at arms talks before the U. S. administration changes next January. The abortive summit conference of last May opened so deep a personal rift between Messrs. Eisenhower and Khrushchov that it's hard to imagine them agreeing about anything at all.

Yet Mr. K has expressed eagerness to lead the Soviet delegation to UN next month; and the president has said he would not debar himself from attending "if necessary." Both men, it seems clear, recognize current dangers and are prepared to look for a way out of the disarmament deadlock.

Mr. Green has pointed to the only possible way out. Let the U. S. and Russia genuinely negotiate, looking for points of agreement instead of each stonewalling in favor of its own "package" proposal. The world owes a debt to Howard Green for ensuring that talks will continue. While there's talk, there's hope.

	Births No.	Rate (per 1,000)
Ontario	157,124	26.4
Quebec	142,383	28.5
British Columbia	39,971	25.5
Alberta	38,080	30.6
Saskatchewan	24,319	27.0
Manitoba	22,801	25.8
Nova Scotia	19,038	26.6
New Brunswick	16,486	27.9
Newfoundland	14,826	33.0
P.E.I.	2,720	26.6
N.W.T.	990	47.1
Yukon	573	41.3
CANADA	479,275	27.5

Perpetuating a Peasantry

Long-term changes in Canada's farm economy are strikingly shown in the Bank of Commerce letter. Agriculture is declining in importance but gaining in efficiency.

In 1939 about 40% of the country's labor force was employed on the land; by 1959 this figure had fallen to 12%. But in the same period there was a sharp increase in agricultural productivity. In spite of the tremendous shrinkage in farm manpower, farm cash income actually grew from $712 million in 1939 to $2,776 million 20 years later.

Larger farms, greater use of machines and improved technique explain what has happened. Large, mechanized, well-run farms, in which adequate capital has been invested, are replacing the small, quarter-section plots that yielded a "way of life" rather than a living.

Government policy should encourage and accelerate this change. It's not in the public interest, it depresses the national standard of living, when men spend their lives tilling uneconomic patches of land, rarely able to get by without public assistance.

The Canadian government, by its latest cash handout of $42 million to prairie grain growers, has failed to show a realistic appreciation of the farm situation. This grant is to be distributed at the rate of $1 per cultivated acre, with a maximum of $200 to any farmer.

Clearly $200 won't cure any grain-grower's troubles, will have no significance at all in the budget of a big, well-managed farm but may be just enough to persuade an inefficient, poverty-stricken farmer to try again instead of looking for a different way of making a living.

The government, in short, is simply resisting progress, helping to perpetuate a peasantry and wasting money.

We Vote For Anchorage

Voters of Alaska, 49th American state, are in the midst of a furious controversy over a proposal to move their state capital from Juneau to Anchorage, 600 miles to the north and west.

Canadians, if anyone wants their opinion, are all in favor of Anchorage in this argument.

Anchorage is a port on the south shore of the peninsular land mass that is properly Alaska. Juneau is in the panhandle, which ought to be part of Canada.

Chances of having the panhandle transferred to Canadian sovereignty may not be bright; but they ought to be improved by the removal of the capital from the disputed area. That would, in modern jargon, de-emphasize the panhandle in Alaskan eyes.

Don't Expect Too Much

If some of the so-called underdeveloped countries wonder why they remain undeveloped, they might ponder the findings of a recent study on the record of British investments in Latin America from 1822 to 1949.

Nearly one third of British overseas investment since 1890 has been in that area. By 1928, it had reached £1,200 million, but yielded only 4.4%. Twenty years later, through the needs of war, nationalization, and currency depreciation, it was down to £560 million and the return had dwindled to 2.5%—less than bank interest.

Within the Commonwealth, however, where more stable political and economic conditions were encouraged, British investors did much better and so did the countries themselves.

In these days of clamorous and well-intentioned talk about the urgency of foreign investment to help underdeveloped countries, these are facts that demand consideration.

All the goodwill in the world won't overcome the damage that can be done by unstable governments and irresponsible politicians.

Time To Do Some Yelling

Now would be a very good time for Ottawa to take a verbal poke at the protectionists in the U. S. congress who are trying to ram through a doubling of the lead and zinc tariffs.

This measure has a good chance of being blessed on Capitol Hill. The Administration has been lobbying against it, but not with too much success. We could provide the State Department with some effective ammunition if the Prime Minister made a direct appeal to President Eisenhower protesting the proposed tariff increase. The proposed increases are hardly in line with the "interdependence" talk of which we hear so much.

It's an old bromide that you've got to yell to be heard in Washington. We have only quietly complained to the State Department once on this matter. It's time for Ottawa to do a little yelling.

Dottier and Dottier

Evidence keeps piling up that the people who make Canada's liquor laws and regulations are slightly balmy.

Latest item for the dossier comes from B. C. Out in that province, it seems, sandwiches may be served at cocktail bars. But, the liquor board has ruled, no knives and forks may be supplied to the customers.

Presumably the idea is to prevent the sandwich-eaters from stabbing one another. But in that case why hasn't the B. C. liquor board, or the liquor board somewhere else, come up with a rule that spirits may be served only in paper cups? You can't hurt a man with a paper cup even if you bang him on the head with it.

Life in an Arithmetic Age

There has been much comment in the Canadian Senate and elsewhere about the need to protect the man who buys on time by forcing lenders and retailers to set forth, clearly and plainly, the "simple" annual interest rate being charged.

But the fun is just beginning. Who is going to decide what is the "right" formula for figuring the true "simple" interest rate?

There are various ways of tackling the problem but the U. S. Reserve Board has put its austere blessing on this formula for estimating the interest paid on an installment loan to finance a car.

Since this might be *the* formula for Canada too, we present it here for the Hon. Senators and others who have no trouble at all in finding their way around this arithmetic formula:

i = *rate of charge*
m = *number of payments in one year (=12)*
n = *number of payments to discharge debt (=24)*
D = *charge in dollars (=$196.24)*
P = *principal or cash advance (=$1,634)*

$$i = \frac{2\,m\,D}{P\,(n+1)}$$

$$= \frac{2 \times 12 \times 196.24}{1{,}634 \times 25} = \frac{4{,}709.76}{40{,}850.00}$$

$$= 0.1153 \text{ or } 11.53 \text{ per cent}$$

Simple, what? And so easy for the average shopper to check.

Post Scripts

MR. RANNEY

Third Career

For Norman Ranney, the new president of Royal Crown Cola Ltd., the launching of his company's activities in Canada is actually the beginning of a third career. Ranney has retired twice from the soft drink industry during the past 30 years only to be recalled to supervise the operations of companies in this field in different parts of the world.

This time he returns to manage the Canadian affairs of one of North America's largest manufacturers of soft drink beverages.

Born in Toronto, he attended Jarvis Collegiate and Rutger's University, and saw army service with the CEF from 1916 to 1919.

In 1930 Ranney began his career in the soft drink industry joining the Coca-Cola Co. in Canada. He held a number of posts with the company in Toronto, Hamilton and Windsor until 1934 when he became associated with the Coca-Cola Export Corp. in Europe. During the next six years he was responsible for the establishment of bottling plants and distribution facilities in Holland and Switzerland and left days before the seizure of the company's European assets.

From 1941 to 1947 he held a similar post with the Export Corp. in Mexico and Central America and then retired in 1947.

After five years of retirement, Ranney was asked to return to the Coca-Cola Corp. in 1952 when he assumed duties connected with the company's Brazilian operation.

After a second retirement he resided during the winter months in Florida and in the summer near Parry Sound, Ont.

His first task upon assuming the presidency of Royal Crown was to turn the sod for a million dollar bottling plant in Toronto's Golden Mile industrial area which will be ready for production this September.

The Mayors' Mayor

Sidney L. Buckwold, Mayor of Saskatoon, the new president of the Canadian Federation of Mayors and Municipalities (FP, Aug. 13) is never at a loss for the appropriate remark.

He's going to need this ability when the Federal-Provincial Conference gets down to details in the fall for a new tax-sharing pact and the needs of municipalities. Ottawa's $100 million winter works program with municipalities will also look to Buckwold for some direction.

Buckwold, a 43-year-old merchandising executive, was elected an alderman in Saskatoon in 1953, reelected to this position on two further occasions, topping the polls, and became mayor in a by-election on April 23, 1958. He was re-elected for a two year term on Nov. 5, 1958.

He was an executive member of the Saskatoon Community Chest, is a past president of the city's Rotary Club, Saskatoon Wholesalers Association, former chairman, Saskatoon Symphony Orchestra, and is a director of the Saskatoon Art Centre.

He married Clarice Rabinovitch of Regina in 1939. They have three children, Jay, Judy and Linda.

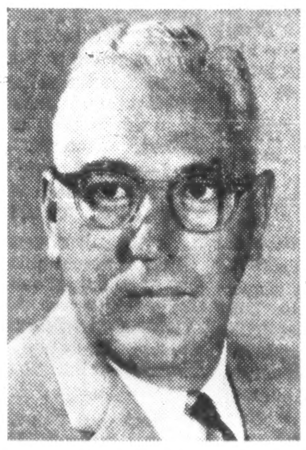
New Energy Link

Canada's energy exports, especially natural gas, provide "the best way we can right our trade deficit with the U. S." This is the opinion of Norman R. Chappell, new energy counsellor at the Canadian Embassy, Washington (FP, Aug. 20).

Chappell won't be hustling up business for Canadian gas and oil companies in his new job. He will be a roving expert keeping tabs on U. S. market developments — the energy link between Ottawa and Washington.

Born Sydney, N.S., educated St. Francis Xavier University, 49-year-old Chappell worked for Dominion Steel & Coal Co. and Quebec North Shore Paper Co. until World War II which he spent prowling the North Atlantic on corvette duty. Joined Department of Trade & Commerce, Ottawa 1946 and moved in 1951 to Washington office of Canada's defence production; director since 1953, also responsible for advising the Canadian Embassy on oil, natural gas and other energy matters.

When not worrying about b/d's or Mcf's, alert, capable Chappell turns to his "do-it-yourself" hi-fi equipment. With his Sydney-born wife, Mary Agnes, and and daughter, Chappell lives in suburban Washington.



MR. CHAPPELL

'A Great Challenge'

Jean-Claude Lessard takes over his new duties as chairman of Quebec Hydro-Electric Commission (FP, Aug. 20) at a time of great expansion. Capital expenditures totaling $724 million are planned for the five-year period, 1960-61. He succeeds J. A. Savoie who has resigned.

Economist (University of Montreal, McGill, Harvard), transportation specialist (CNR, CPR, United States Lines), Lessard has filled with distinction several important government positions. He was deputy minister of transport, Ottawa, for six years and, later, vice-president, St. Lawrence Seaway Authority.

He has been drafted three times for public service — Duff Royal Commission on railways, Rowell-Sirois Commission and Gordon Commission. He has been on other special assignments — mines and resources, income tax (depreciation of public utilities) and chairman of the Canadian Maritime Commission.

He was vice-president, Standard Railway Equipment Manufacturing Co. from 1953 to 1957 when he joined the Seaway Authority. He was president of the important Canadian tolls committee.

This extensive business and administrative background will stand Lessard good stead in his new job which he looks on as "a great challenge".

Personal details: Born Granby, Que. Married (former Simone Maunier), one daughter (Monique). Pardonably proud of the fact Lessard family connection in Canada goes back to 1636 when original family settled at Ste. Anne de Beaupre, where the world-famous shrine now stands.

Neutrality or Suicide

The hostility between the U. S. and Russia is full of danger. A neutral Britain, withdrawing from its American alliance, might mitigate this hostility, contends Lord Russell, the noted philosopher, in a recent article in The New York Times Magazine. Here is an **FP** *digest:*

By BERTRAND RUSSELL

If Britain were neutral, Russia would have no motive for attacking it; but, while Britain is useful to the United States, Russia has such a motive, which may well become decisive if it is believed in Russia that the argument of the Great Deterrent does not apply because America would do nothing if Britain were destroyed.

From the point of view of a patriotic Briton, it seems that there is no gain, and possible disastrous loss, through the American alliance.

Russia could exterminate the population of Britain in an hour or two and, after allowing a suitable period for radioactivity to die down, could repopulate the country with members of Communist states after the pattern inaugurated in East Prussia. Such a course of events would serve no purpose that America or any other non-Communist state could welcome.

We are sometimes called upon, in rhetorical terms, to be willing to die for a great cause without stopping to consider whether the great cause will be in any degree furthered by our death.

This is unmitigated nonsense.

We proved in 1940 our willingness to die if any purpose was to be served thereby. But willingness to die without serving any purpose is merely morbid.

For my part, both as a patriot and as a friend of humanity, I should wish to see Britain officially neutral in the conflict between America and Russia. The patriotic argument is a very obvious one. No sensible man would wish to see his country obliterated without any gain to the kind of way of life that makes his country valuable.

And, as things stand, so long as Britain remains allied to America, there is serious risk of extermination without the slightest advantage either to America or to the Western way of life.

From the point of view of humanity in general, the hostility between Russia and America is what threatens disaster, and anything tending to mitigate this hostility is a service to man.

Because of the destructive character of nuclear weapons, it is no longer useful to point to the wickedness of the side to which we do not belong.

Whether you are of the East or whether you are of the West, the side to which you are opposed does not present so great an evil as does the enmity between the two sides. I should like to see it recognized by the two giants.

Meantime, more than half the population of the world belongs to neither group and waits in impotent fear for the death which the two groups may inflict, not only upon each other, but also upon the bystanders.

The bystanders need not be so wholly impotent as they have hitherto been. They can influence public opinion in both East and West.

They can suggest solutions to vexing problems which both East and West can accept.

They can bring their weight to bear in United Nations discussions of disarmament.

They can, not improbably, be the decisive force turning men aside from collective suicide. It is in this work that I should like to see my country helping.

"Quote-Unquote"

Liberal Leader Pearson speaking of Resources Minister Alvin Hamilton in the Commons:

"If we on this side feel—as we have felt and perhaps still feel—that at times the minister's enthusiasm and zeal have over-run his wisdom and judgment, that does not alter the fact that the minister has brought qualities of great energy and enthusiasm to the work of this important branch of the government."

* * *

Will Rogers:

"The minute a thing is long and complicated it confuses. Whoever wrote the Ten Commandments made 'em short. They may not always be kept, but they can be understood."

* * *

Moise Tshombe, premier of Katanga:

"In the Katanga we have the world's richest copper mines. We have manganese and cobalt and tin and tremendous uranium deposits.

"Because of all this, the Katanga is prosperous but unfortunately we Africans have neither the capital nor the technical knowledge to work these mines.

"We need somebody to do it for us, on a fair share basis, which the Belgians have been doing for years. I cannot believe that the Russians will do it better. So why must I get rid of the Belgians, particularly as they now have no more political say?

"I not only want them to stay but I want the whole world to come and invest money here, and that sort of thing can only be encouraged by maintaining absolute law and order. If I fail to do that I shall get out."

* * *

Harry S. Truman in "Mr. Citizen":

"I have never seen pessimists make anything work, or contribute anything of lasting value."

* * *

Bryan Houston, president, Fletcher, Richards, Calkins & Holden Inc., advertising agency:

"It is completely impossible to keep good creative people at top productive levels if their work is to be constantly and repeatedly rehashed. For the love of your money, quit smothering that incandescent glow with a blanket of red tape."

* * *

Advice column by convict Jean Coeur in "The K.P. Telescope", monthly prisoner publication of Kingston Penitentiary:

"If you ever get the urge to shoot craps, take a good look at the dice. Transparent plastic dice are not, as some might think, completely safe.

"They can be skilfully loaded right under the dots where you can't see."

Hansard:

Mr. Azellus Denis (Lib. St. Denis): "Mr. Speaker, I wish to direct a question to the Postmaster General. According to a newspaper report, in England Jersey cows are being delivered by registered mail. Is the minister equipped to give Canada the same kind of service?

Hon. W. M. Hamilton: "Mr. Speaker, neither Jersey cows nor the kind of bull in which the hon. member indulges are properly the concern of the Canadian Post Office Department."

Stop Me If . . .

New bride: "Why are you frowning at that letter? Are you worried? Remember, darling, your problems are our problems now."

Husband: "Well then — some dame in Calgary is suing us for breach of promise."

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Aug. 27, 1960

Why a Republic for South Africa?

Afrikaners are taking risks in tampering with the system . . .

By J. B. McGEACHY

A POLITICAL question of 1960 that has puzzled me is just why, in October, the South Africans will hold a plebiscite on monarchy versus republic. Canada is concerned, as another member of the Commonwealth. From the Canadian point of view, as it seems to me our South Africa brethren have nothing to gain but a lot to lose by taking this vote, especially now when their racial policies are both topical and unpopular.

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This is something they are unlikely to obtain. It is even doubtful if they could get a majority, seeing that Ghana, India, Pakistan, Ceylon and Malaya could outvote Britain, Canada, Australia and New Zealand.

The Commonwealth gives the South Africans valuable trade preferences. Exclusion would hurt them commercially. It would also leave them politically isolated, without an ally anywhere.

Why do they take these risks, considering that the monarchy, even if not all of them love it, certainly doesn't oppress or bother them in the slightest?

This question, as I say, puzzled me; but I have found what purports to be an answer in recent South African dispatches. Dr. H. F. Verwoerd, the Prime Minister, says that "national unity" is the issue.

South Africa's English-speaking minority, it is said, is divided in its loyalty. Its members, indeed, think of Britain as "home," which, of course, is probably how the French - Canadian minority would think of France if this country happened to belong to the French Union instead of the Commonwealth.

The state of Natal, mainly "British," is reported to be "aggravatingly colonial-suburban." Its capital, Durban, with its slot machines and pierrots, is described as "a sub-tropical Brighton."

Everything about it and the social attitudes of its inhabitants is just too too English for the patience of the Afrikaners; and Dr. Verwoerd's theory is that only in a republic, which will take the royal symbol off the coins and letter-boxes, can the two national groups achieve a single identity.

South Africa, it seems, is even unhappier than it appears to be on the surface. Apart from its black-white division, which all the world knows about, it has a Dutch-English division that goes just as deep. **If the people vote by language in October, as most of them will, the country will go republican since the Dutch are in a majority; but it's hard to see how this will ever stop the English-speakers from thinking nostalgically of Britain and singing God Save the Queen.**

There is presumably nothing that any outsider can do about all this. But how is Canada going to vote on the issue of Commonwealth membership if it comes up? Is there a public opinion on the question? Not that I know of.

* * *

THERE'S ONE POINT about the Powers spy trial that I haven't seen noted anywhere. This is the point that nearly four months ago Pres. Eisenhower invited (provoked is perhaps the right word) the Soviet prosecutor to indict the U. S. administration.

At the trial the prosecutor took the line, as did defence counsel, that Mr. Eisenhower himself, along with Secretary of State Herter and others, ought to be in the prisoner's box. When this news came out of Moscow last week, the president was indignant. A "distortion of the facts," he said.

Unfortunately, Ike was trapped in a bunker of his own digging. He failed in one-upmanship.

When the Soviet spy Col. Rudolf Ivanovich Abel was in the toils of American justice three years ago, the Kremlin denied all knowledge of him and said the whole story was a hoax cooked up by Washington. This evasion is orthodox diplomatic practice; and its soundness has just been proved. At least, ignoring it has damaged the image of the president and of the U. S.

Last May, when Powers had been arrested on Soviet soil and Washington decided to be confessional about it all, the president said he took personal responsibility for the U-2 flights. Likewise Mr. Herter. Flying spy planes over Soviet territory, they explained, was fixed American policy.

It was childishly naive, surely, to suppose that the Russians would overlook this opening for anti-U. S., anti-Ike propaganda. They were not only certain to say, they had been practically authorized to say, that the person on trial was not the hapless pilot from Virginia but the president of the U. S.

If Nikita Khrushchov is ever unwary enough to acknowledge a Soviet spy, he will undoubtedly find himself accused in the same way by an American prosecutor.

Powers, it seems, was mildly embarrassed by his Soviet lawyer's argument that he was only an agent for Washington top brass. There was no reason why he should be embarrassed in the slightest. This defence was handed to him, on a platter, by his own chief of state.

* * *

SURMISING THAT CHESTER BOWLES, a New England Democrat, may be the next U. S. Secretary of State, I have just re-read his book, "The New Dimensions of Peace."

It is much more lively than most political writing by politicians. Though non-committal or silent on some large specific questions, like recognition of the Chinese government, it plots a course for the U. S. that looks more constructive than the policies of recent years.

It's a scholarly book with a firm grasp of both history and the dynamics of the contemporary world. Bowles, who is widely traveled and served as U. S. ambassador to India, recognizes communism's powerful appeal to backward lands, with its promise of equality and the good life through technology and science.

In meeting this challenge, says Bowles, the U. S. has trusted far too much to military power. He denounces "preventive war," while noting that **"the idea of America as a new Rome, imposing its will on the world by force of arms, has at time exerted an insidious fascination on the minds of some of our so-called realists," meaning the huffing and puffing men of the Pentagon.**

It's "self-righteous" for the U. S., Bowles argues, to demand that communism change its nature without "laboring to satisfy the needs" of the emerging nations in Africa and Asia. Far more, he says, must be spent on foreign economic aid.

Beside money, in his view, the U. S. must supply ideas ("revolutionary" ideas since the U. S. is a revolutionary state) and men of goodwill. He has seen Americans abroad speaking and acting exactly like the stereotype caricatures of American capitalists in Soviet propaganda.

In a particularly effective passage in the book, he deplores the Americans who go forth evangelizing for a kind of "free enterprise" that never did exist, even in the days of Adam Smith, and bears no resemblance whatever to the present-day North American welfare state. Why, asks Bowles, must Americans misrepresent their own society and philosophy in this grotesque way?

He is for co-existence; the U. S., as he points out, has co-existed with tyrannies throughout its history. **He is for negotiation and insists that American proposals be framed not to embarras the communist states but to invite and make easier their consent.**

Arguing for limitation of arms, he says: "No nation which so desperately needs new schools, new roads and new health programs as America should quail before the economic effects of disarmament."

These are all very general ideas but they are enlightened. If he put them into effect, Mr. Bowles would clearly be a first-rate U. S. foreign minister.

* * *

TO TURN TO A CHEERFUL THEME, I have greatly enjoyed "A Life in The Theatre" by Dr. Tyrone Guthrie. This is a gay and brilliant autobiography by the famed producer whose advice determined the design of the Stratford (Ont.) Festival theatre and who directed the plays seen at the first festival in 1953.

Guthrie has had a hand in ballet and opera as well as drama but is most celebrated as a director of Shakespeare at the Old Vic, London. He has been a theatre director all over the map, from Finland to Broadway, from Tel Aviv to Australia; but the book makes it plain that **Canada's Stratford gave him his one important opportunity to fulfill his lifelong ambition — the production of Shakespeare on the kind of stage for which Shakespeare wrote.**

Besides a lively account of personal adventures, he provides a theory of the Stratford stage, a theory of acting and numerous uninhibited opinions.

Guthrie on the films: "To be a movie star, acting talent or accomplishment is almost completely irrelevant. Beautiful dimwits, of assorted size, shape and sex, command tremendous salaries, are extravagantly publicized, accorded the rather perfunctory and ambivalent worship, half admiration, half envious contempt, which fans offer to stars. But they are readily expendable."

On ballet: "Ballet has no right to the pretension that it is an art on an equality with opera or drama. In my opinion, ballet has got above its station and should have been content to remain no more than an adjunct to the opera."

On opera singers: "If a person has a great big voice and can sing in tune, he can get on better in opera than a more talented and intelligent, and even more musical, person with less of a voice. God in His Almighty Wisdom and Fairness has not always given the greatest voices to the persons with the greatest intellect or the best education, or to the most beautiful of His creatures."

Vignette of Montreal as seen by Guthrie in 1929, 23 years before he came to Stratford: "In Westmount they regard — or did, no doubt they have reformed all that — the French Canadians as 'natives', make a point of mispronouncing French names . . . 'Noter Dayme, Plass Darms, Saint Dennis' . . . and, in general, of acting as if Boney and his Frog-eaters were expected any moment to assail the white cliffs. The French Canadians, on their part, much more French than the inhabitants of metropolitan France, much more Catholic than the Vatican, extravagantly exemplified the sort of ideas about 'foreigners' which were current in Tunbridge Wells and Leamington Spa during the Boer War; were, in short, charming, volatile, unpunctual, 'artistic' and inclined to smell of garlic."

It's an amusing book, light-hearted even though Guthrie does take the theatre most seriously.

J. B. McGEACHY

"The Commonwealth gives the South Africans valuable trade preferences. Exclusion would hurt them commercially. It would also leave them politically isolated without an ally anywhere."

Debate Rages Over P.E.I. Potato Plant

From Our Own Correspondent

CHARLOTTETOWN — A controversy is raging here over the location of a potato grading plant.

- **Some producers and shippers** say Ontario is the centre of the Island's potato market and that the grading and processing plant should be built near Toronto.
- **Others say** the Island is in need of its own plant and should start one in the province at once.
- **The government tends to favor** the idea of a plant on the Island as a boost to home industry.

Actually there are no detailed plans for carrying out any of the proposals. But the debate rages on.

Premier Walter R. Shaw favors a co-operative setup, centred on the Island, in which producers are given help in grading and packaging.

Donald A. MacDonald, manager of the **Producers' Co-operative Association Ltd.**, argues that, to provide the service required by Toronto area retailers, a packaging plant is essential in that area.

Reid Sangster, provincial marketing agent, argues Toronto is not the Island's only market for potatoes and there is danger of concentrating too heavily on that area.

Meanwhile weather continues to exert its influence over this year's potato crop.

By mid-August only .29 in. of rain had fallen, plants were withering and growth had come pretty much to a halt.

On the other side of the picture are strong indications that the quality of this year's crop will be high. Disease is at a minimum.

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BOSTON, MASS.

Business Across Canada

HOW'S BUSINESS? That's the big question right across the country. This regular FP feature helps to answer it for businessmen everywhere, by comparisons for representative cities coast-to-coast.

This table shows figures for May, the latest complete month available. Despite the time lag, the comparisons are valuable indicators of each area's business health.

COMPARISONS MAY, 1960-MAY, 1959

	Average Weekly† Wages & Salaries $	Average Weekly Wages & Salaries Change %	Employment Indexes Change %	Consumer Price Indexes Change %	Value of Building Permits Change %	Housing Starts 5 months Jan.-May Change %
St. John's	54.29	+1.0	+0.7	+1.4	—55.0	—6.6
Halifax	61.59	+2.5	—0.8	+1.1	—35.5	—29.3
Saint John	60.22	+5.6	+0.6	+1.3	—0.6	+1.1
Quebec	63.21	+1.9	+1.6	...	—37.6	—35.6
Sherbrooke	60.85	+1.9	+0.1	...	+43.5	+11.1
Trois Rivieres	68.06	+0.4	—1.5	...	—70.4	—14.8
Montreal	74.49	+3.0	—0.2	+1.0	—20.9	—24.9
Ottawa-Hull	69.64	+2.2	—0.2	+1.3*	—50.1	—45.5
Peterborough	83.65	+1.6	—3.8	...	+14.7	—31.7
Toronto	78.89	+2.1	—0.8	+1.3	—0.7	—31.7
Hamilton	83.12	+1.4	+1.6	...	—10.6	—33.6
St. Catharines	83.85	—0.6	—2.5	...	—61.2	—48.4
Brantford	71.87	+1.9	—8.9	...	+16.1	+1.2
Kitchener	71.90	+2.7	+1.2	...	+22.3	+17.0
London	71.87	+2.7	—1.0	...	—23.3	—30.2
Sarnia	95.95	+0.3	+17.6	...	+30.8	—6.7
Windsor	87.46	+3.0	—3.8	...	—21.7	—55.0
Ft. William-Pt. Arthur	77.57	+2.4	—6.7	...	+23.5	—32.9
Winnipeg	68.25	+1.4	+1.2	+1.6	+79.4	—20.7
Regina	68.61	+3.0	—2.3	+1.0‡	—25.9	—40.1
Saskatoon	67.53	—0.1	+1.2	...	—1.7	+94.4
Edmonton	71.83	+0.5	—1.0	+0.9‡	+0.6	—66.9
Calgary	72.65	+1.3	+0.5	...	+43.5	—34.8
Vancouver	81.34	+2.3	—2.9	+1.0	—33.5	—49.1
Victoria	74.17	+1.7	—3.3	...	+41.5	—25.5
CANADA	75.38	+2.1	—0.7	+1.0	—7.4	—38.5

†Industrial composite on May 31, 1960.
*Ottawa only.
‡Joint indexes for Regina-Saskatoon and Edmonton-Calgary.
Blanks indicate figures not available.
Source: D.B.S. reports.

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South Africa's English-speaking minority, it is said, is divided in its loyalty. Its members, indeed, think of Britain as "home," which, of course, is probably how the French - Canadian minority would think of France if this country happened to belong to the French Union instead of the Commonwealth.

The state of Natal, mainly "British," is reported to be "aggravatingly colonial-suburban." Its capital, Durban, with its slot machines and pierrots, is described as "a sub-tropical Brighton."

Everything about it and the social attitudes of its inhabitants is just too too English for the patience of the Afrikaners; and Dr. Verwoerd's theory is that only in a republic, which will take the royal symbol off the coins and letter-boxes, can the two national groups achieve a single identity.

South Africa, it seems, is even unhappier than it appears to be on the surface. Apart from its black-white division, which all the world knows about, it has a Dutch-English division that goes just as deep. **If the people vote by language in October, as most of them will, the country will go republican since the Dutch are in a majority; but it's hard to see how this will ever stop the English-speakers from thinking nostalgically of Britain and singing God Save the Queen.**

There is presumably nothing that any outsider can do about all this. But how is Canada going to vote on the issue of Commonwealth membership if it comes up? Is there a public opinion on the question? Not that I know of.

* * *

THERE'S ONE POINT about the Powers spy trial that I haven't seen noted anywhere. This is the point that nearly four months ago Pres. Eisenhower invited (provoked is perhaps the right word) the Soviet prosecutor to indict the U. S. administration.

At the trial the prosecutor took the line, as did defence counsel, that Mr. Eisenhower himself, along with Secretary of State Herter and others, ought to be in the prisoner's box. When this news came out of Moscow last week, the president was indignant. A "distortion of the facts," he said.

Unfortunately, Ike was trapped in a bunker of his own digging. He failed in one-upmanship.

When the Soviet spy Col. Rudolf Ivanovich Abel was in the toils of American justice three years ago, the Kremlin denied all knowledge of him and said the whole story was a hoax cooked up by Washington. This evasion is orthodox diplomatic practice; and its soundness has just been proved. At least, ignoring it has damaged the image of the president and of the U. S.

Last May, when Powers had been arrested on Soviet soil and Washington decided to be confessional about it all, the president said he took personal responsibility for the U-2 flights. Likewise Mr. Herter. Flying spy planes over Soviet territory, they explained, was fixed American policy.

It was childishly naive, surely, to suppose that the Russians would overlook this opening for anti-U. S., anti-Ike propaganda. They were not only certain to say, they had been practically authorized to say, that the person on trial was not the hapless pilot from Virginia but the president of the U. S.

If Nikita Khrushchov is ever unwary enough to acknowledge a Soviet spy, he will undoubtedly find himself accused in the same way by an American prosecutor.

Powers, it seems, was mildly embarrassed by his Soviet lawyer's argument that he was only an agent for Washington top brass. There was no reason why he should be embarrassed in the slightest. This defence was handed to him, on a platter, by his own chief of state.

* * *

SURMISING THAT CHESTER BOWLES, a New England Democrat, may be the next U. S. Secretary of State, I have just re-read his book, "The New Dimensions of Peace."

It is much more lively than most political writing by politicians. Though non-committal or silent on some large specific questions, like recognition of the Chinese government, it plots a course for the U. S. that looks more constructive than the policies of recent years.

It's a scholarly book with a firm grasp of both history and the dynamics of the contemporary world. Bowles, who is widely traveled and served as U. S. ambassador to India, recognizes communism's powerful appeal to backward lands, with its promise of equality and the good life through technology and science.

J. B. McGEACHY

"The Commonwealth gives the South Africans valuable trade preferences. Exclusion would hurt them commercially. It would also leave them politically isolated without an ally anywhere."

In meeting this challenge, says Bowles, the U. S. has trusted far too much to military power. He denounces "preventive war," while noting that **"the idea of America as a new Rome, imposing its will on the world by force of arms, has at time exerted an insidious fascination on the minds of some of our so-called realists," meaning the huffing and puffing men of the Pentagon.**

It's "self-righteous" for the U. S., Bowles argues, to demand that communism change its nature without "laboring to satisfy the needs" of the emerging nations in Africa and Asia. Far more, he says, must be spent on foreign economic aid.

Beside money, in his view, the U. S. must supply ideas ("revolutionary" ideas since the U. S. is a revolutionary state) and men of goodwill. He has seen Americans abroad speaking and acting exactly like the stereotype caricatures of American capitalists in Soviet propaganda.

In a particularly effective passage in the book, he deplores the Americans who go forth evangelizing for a kind of "free enterprise" that never did exist, even in the days of Adam Smith, and bears no resemblance whatever to the present-day North American welfare state. Why, asks Bowles, must Americans misrepresent their own society and philosophy in this grotesque way?

He is for co-existence; the U. S., as he points out, has co-existed with tyrannies throughout its history. **He is for negotiation and insists that American proposals be framed not to embarras the communist states but to invite and make easier their consent.**

Arguing for limitation of arms, he says: "No nation which so desperately needs new schools, new roads and new health programs as America should quail before the economic effects of disarmament."

These are all very general ideas but they are enlightened. If he put them into effect, Mr. Bowles would clearly be a first-rate U. S. foreign minister.

* * *

TO TURN TO A CHEERFUL THEME, I have greatly enjoyed "A Life in The Theatre" by Dr. Tyrone Guthrie. This is a gay and brilliant autobiography by the famed producer whose advice determined the design of the Stratford (Ont.) Festival theatre and who directed the plays seen at the first festival in 1953.

Guthrie has had a hand in ballet and opera as well as drama but is most celebrated as a director of Shakespeare at the Old Vic, London. He has been a theatre director all over the map, from Finland to Broadway, from Tel Aviv to Australia; but the book makes it plain that **Canada's Stratford gave him his one important opportunity to fulfill his lifelong ambition — the production of Shakespeare on the kind of stage for which Shakespeare wrote.**

Besides a lively account of personal adventures, he provides a theory of the Stratford stage, a theory of acting and numerous uninhibited opinions.

Guthrie on the films: "To be a movie star, acting talent or accomplishment is almost completely irrelevant. Beautiful dimwits, of assorted size, shape and sex, command tremendous salaries, are extravagantly publicized, accorded the rather perfunctory and ambivalent worship, half admiration, half envious contempt, which fans offer to stars. But they are readily expendable."

On ballet: "Ballet has no right to the pretension that it is an art on an equality with opera or drama. In my opinion, ballet has got above its station and should have been content to remain no more than an adjunct to the opera."

On opera singers: "If a person has a great big voice and can sing in tune, he can get on better in opera than a more talented and intelligent, and even more musical, person with less of a voice. God in His Almighty Wisdom and Fairness has not always given the greatest voices to the persons with the greatest intellect or the best education, or to the most beautiful of His creatures."

Vignette of Montreal as seen by Guthrie in 1929, 23 years before he came to Stratford: "In Westmount they regard — or did, no doubt they have reformed all that — the French Canadians as 'natives', make a point of mispronouncing French names . . . 'Noter Dayme, Plass Darms, Saint Dennis' . . . and, in general, of acting as if Boney and his Frog-eaters were expected any moment to assail the white cliffs. The French Canadians, on their part, much more French than the inhabitants of metropolitan France, much more Catholic than the Vatican, extravagantly exemplified the sort of ideas about 'foreigners' which were current in Tunbridge Wells and Leamington Spa during the Boer War; were, in short, charming, volatile, unpunctual, 'artistic' and inclined to smell of garlic."

It's an amusing book, light-hearted even though Guthrie does take the theatre most seriously.

Debate Rages Over P.E.I. Potato Plant

From Our Own Correspondent

CHARLOTTETOWN — A controversy is raging here over the location of a potato grading plant.

- **Some producers and shippers** say Ontario is the centre of the Island's potato market and that the grading and processing plant should be built near Toronto.
- **Others** say the Island is in need of its own plant and should start one in the province at once.
- **The government tends to favor** the idea of a plant on the Island as a boost to home industry.

Actually there are no detailed plans for carrying out any of the proposals. But the debate rages on.

Premier Walter R. Shaw favors a co-operative setup, centred on the Island, in which producers are given help in grading and packaging.

Donald A. MacDonald, manager of the **Producers' Co-operative Association Ltd.**, argues that, to provide the service required by Toronto area retailers, a packaging plant is essential in that area.

Reid Sangster, provincial marketing agent, argues Toronto is not the Island's only market for potatoes and there is danger of concentrating too heavily on that area.

Meanwhile weather continues to exert its influence over this year's potato crop.

By mid-August only .29 in. of rain had fallen, plants were withering and growth had come pretty much to a halt.

On the other side of the picture are strong indications that the quality of this year's crop will be high. Disease is at a minimum.

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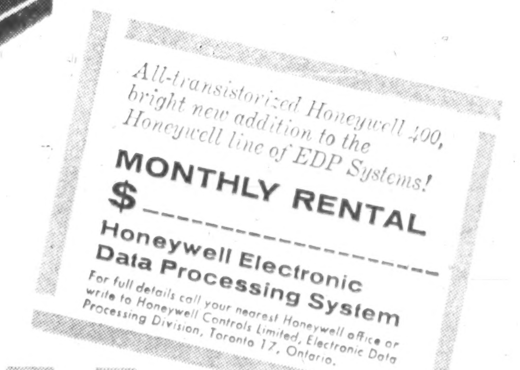
Business Across Canada

HOW'S BUSINESS? That's the big question right across the country. This regular FP feature helps to answer it for businessmen everywhere, by comparisons for representative cities coast-to-coast.

This table shows figures for May, the latest complete month available. Despite the time lag, the comparisons are valuable indicators of each area's business health.

	Average Weekly† Wages & Salaries $	COMPARISONS MAY, 1960-MAY, 1959 Average Weekly Wages & Salaries Change %	Employment Indexes Change %	Consumer Price Indexes Change %	Value of Building Permits Change %	Housing Starts 5 months Jan.-May Change %
St. John's	54.29	+1.0	+0.7	+1.4	—55.0	—6.6
Halifax	61.59	+2.5	—0.8	+1.1	—35.5	—29.3
Saint John	60.22	+5.6	+0.6	+1.3	—0.6	+1.1
Quebec	63.21	+1.9	+1.6	. . .	—37.6	—35.6
Sherbrooke	60.85	+1.9	+0.1	. . .	+43.5	+11.1
Trois Rivieres	68.06	+0.4	—1.5	. . .	—70.4	—14.8
Montreal	74.49	+3.0	—0.2	+1.0	—20.9	—24.9
Ottawa-Hull	69.64	+2.2	—0.2	+1.3*	—50.1	—45.5
Peterborough	83.65	+1.6	—3.8	. . .	+14.7	—31.7
Toronto	78.89	+2.1	—0.8	+1.3	—0.7	—31.7
Hamilton	83.12	+1.4	+1.6	. . .	—10.6	—33.6
St. Catharines	83.85	—0.6	—2.5	. . .	—61.2	—48.4
Brantford	71.87	+1.9	—8.9	. . .	+16.1	+1.2
Kitchener	71.90	+2.7	+1.2	. . .	+22.3	+17.0
London	71.87	+2.7	—1.0	. . .	—23.3	—30.2
Sarnia	95.95	+0.3	+17.6	. . .	+30.8	—6.7
Windsor	87.46	+3.0	—3.8	. . .	—21.7	—55.0
Ft. William-Pt. Arthur	77.57	+2.4	—6.7	. . .	+23.5	—32.9
Winnipeg	68.25	+1.4	+1.2	+1.6	+79.4	—20.7
Regina	68.61	+3.0	—2.3	+1.0‡	—25.9	—40.1
Saskatoon	67.53	—0.1	+1.2	. . .	—1.7	+94.4
Edmonton	71.83	+0.5	—1.0	+0.9‡	+0.6	—66.9
Calgary	72.65	+1.3	+0.5	. . .	+43.5	—34.8
Vancouver	81.34	+2.3	—2.9	+1.0	—33.5	—49.1
Victoria	74.17	+1.7	—3.3		+41.5	—25.5
CANADA	75.38	+2.1	—0.7	+1.0	—7.4	—38.5

†Industrial composite on May 31, 1960.
*Ottawa only.
‡Joint indexes for Regina-Saskatoon and Edmonton-Calgary.
Blanks indicate figures not available.
Source: D.B.S. reports.



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Hartney Sold To Son-Mark

MONTREAL (Staff) — **Son-Mark Industries Inc.**, Philadelphia, has purchased all outstanding stock of **Hartney Co.**, operators of three Montreal furniture and appliance stores.

The new owners plan to extend Hartney's operations not only in Montreal but to other parts of Canada.

Price was not disclosed.

Son-Mark owns 18 department and furniture stores as well as companies in the service and manufacturing fields in the U.S. Annual gross is over $30 million.

President Abe E. Goldman of Son-Mark says: "The identity of the Hartney stores, management, personnel and general policies will continue."

ANNOUNCEMENT

J. COCHRAN

Mr. P. N. Grass, Vice-President of Dominion Tar & Chemical Company Limited, announces the appointment of Mr. J. Cochran as Vice-President and General Manager of Murray-Brantford Limited. Mr. Cochran was previously production manager of Brantford Roofing Company Limited and with the consolidation of the company with Alexander Murray & Company, Limited was production manager of the new company, Murray-Brantford Limited.

ANNOUNCEMENT

MARTIN-SENOUR APPOINTMENT

J. H. W. LAWRENCE

J. H. W. Lawrence has been appointed General Sales Manager of the Martin-Senour Company, it was announced by H. C. Culley, Vice-President and General Manager.

Mr. Lawrence brings to his new post a broad background of management experience in merchandising and sales. In the past year, Mr. Lawrence served with a Martin-Senour affiliate where he was Manager of Eastern Canada Trade Sales. In his new position, Mr. Lawrence assumes the direction and supervision of Martin-Senour sales operations coast to coast.

ANNOUNCEMENT

MASSEY-FERGUSON ANNOUNCEMENT

JOHN E. ZIMMERMAN

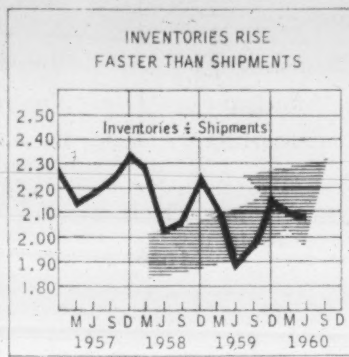
Mr. A. A. Thornbrough, President, announces the appointment of Mr. John E. Zimmerman to the corporate staff of Massey-Ferguson Limited as Plans and Control Co-ordinator.

Mr. Zimmerman graduated Bachelor of Philosophy from the University of Wisconsin in 1940 and Doctor of Jurisprudence, University of Chicago in 1949 after war service (1941-1946) with the U.S. Navy retiring as Lt. Commander.

The business experience of Mr. Zimmerman includes legal, financial, secretarial, personnel and industrial relations, supervision and management and prior to his present appointment he was manager of the Production Scheduling Department of the Ford Division of the Ford Motor Company.

Trend of Business

Value of inventory owned by manufacturers dropped fractionally between May and June but at month-end was up 6% from year ago at $4,197 million ($3,944 million). June shipments by manufacturers of $2,012 million were up 1% from previous month but 4% below year earlier's $2,099 million. Ratio of inventory owned to shipments was 2.09 in June vs. 2.11 month before and 1.88 in June, 1959.



Canada's adverse trade balance was 40.6% lower in the first half of this year as compared with like 1959 period. Preliminary estimates show imports for June at $512.4 million ($489.6 million year ago), bringing total purchases for half year to $2,811.5 million ($2,753.4 million). Sales abroad in the six-month period rose to $2,602.2 million ($2,401.3 million last year) for an excess of imports over exports of $209.3 million ($352.1 million).

Total industrial production eased slightly in June from previous month as a 2.4% decline in mining output more than offset a small gain in manufacturing and a 2.1% increase in output of electric power and gas utilities. Seasonally adjusted index (1949=100) stood at 167.6 vs. 167.8 at end of May. In the mining group, iron ore decreased 27% and other metals (including uranium) fell 8% from previous month's levels.

Big store sales ahead of last year. Department store sales in June amounted to $112.1 million, up 1.7% from $110.2 million year ago, placing first six months' total also 1.7% higher at $626.6 million ($616 million). Half-year sales showed year-to-year gains in all provinces except Alberta and Saskatchewan.

Men's furnishings (up 15.8%) had the best departmental increase in June over a year ago, while in the six months toiletries, cosmetics and drugs boosted sales the most (up 9.6%). Declines ranged from 0.1% for piece goods to 8.9% for millinery in the month and from 0.6% for women's and misses' coats, suits and linens to 12.3% for furs in the half year.

Turnover in chain stores rose 6.5% in June to an estimated $285.4 million from $268 million in like 1959 month. With year-to-year gains in all previous months except May, first half total increased 5.1% to $1,566.4 million ($1,491.2 million). In June, grocery and combination store chains boosted sales 10.9% over year earlier to $129.6 million and in the six months by 6.9% to $767.4 million.

Foreign cars increase market share. Sales of new motor vehicles in first half, 1960, rose 2.7% to 297,846 units (290,043 last year), of which British and European vehicles comprised 24.5% of the total (72,865 vehicles) vs. 22% last year (63,878) for a 14.1% year-to-year gain. Sales in June numbered 58,698 units (including 15,154 foreign vehicles) up 2.9% from 57,063 (13,418) a year ago.

Major Weekly Indicators

	Latest or Week	Date Ended	Previous Week	Change from Month ago %	Change from Year ago %
Passenger car production	(Aug. 20)	582	224	—90.1	—73.4
Truck production	(Aug. 20)	213	—	—83.9	—68.6
Bus. fail. 4-wk. moving av. (no.)	(Aug. 11)	33.0	29.8	+22.2	+20.9
Steel ingot production .. (tons)	(Aug. 13)	90,099	79,299	—17.4	—16.3
Steel production . (% capacity)	(Aug. 13)	69.7	61.4	—17.4	—21.4
T.S.E. industrial index	(Aug. 23)	499.50	492.38	+ 5.3	— 5.4
Yield 114 stocks	(Aug. 22)	4.75%	4.75%	— 5.0	+13.5
Chartered banks					
Personal savings . ($ millions)	(Aug. 10)	7,192	7,216	+ 1.3	— 0.3
Loans outstanding ($ millions)	(Aug. 10)	6,242	6,238	+ 0.7	— 1.0
NHA mtge. hldgs. ($ millions)	(Aug. 10)	981	982	— 0.1	+10.1
Bank clearings					
Montreal ($ millions)	(Aug. 19)	1,082	926	—	+11.8
Toronto ($ millions)	(Aug. 19)	1,458	1,181	+19.7	+ 8.6
Cdn. dollar .... (U. S. cents av.)	(Aug. 23)	103.318	103.259	+ 0.8	— 1.6
Carloading totals	(Aug. 7)	67,702	*95,736	+ 0.2	— 9.6
Eastern Canada	(Aug. 7)	44,240	*61,731	— 0.3	— 9.2
Western Canada	(Aug. 7)	23,462	*34,005	+ 1.1	—10.4
Iron and steel mfg.	(Aug. 7)	820	*1,288	— 8.5	—14.6
Ores, concentrates	(Aug. 7)	11,978	*17,941	— 5.4	+ 2.6
Base metals	(Aug. 7)	602	*703	+40.3	+29.2
Lumber, timber plywood	(Aug. 7)	4,281	*5,761	+16.9	— 7.4
Cement	(Aug. 7)	798	*922	+32.1	—12.3
Bank of Canada holdings of					
Securities ($ millions)	(Aug. 17)	2,750	2,736	+ 0.8	+ 0.1
Short-term govt.. ($ millions)	(Aug. 17)	904	892	+ 2.1	+80.4
Long-term govt.. ($ millions)	(Aug. 17)	1,770	1,768	+ 0.1	—18.5
Other securities. ($ millions)	(Aug. 17)	14	14	—	—26.3
Department Store Sales					
% change from year earlier	(Aug. 6)	+1.6	+2.4	+10.3	+2.3

*Ten-day end-of-month period.

Facts by the Month

WHAT WE PRODUCE—	Latest	Month	One Month Previous	Change From— Two Months Ago %	Change From— Year Ago %
▪In all industries (Index)	June	174.1	169.7	+5.9	+0.7
▪In factories (Index)	June	157.8	153.2	+6.7	—0.5
▪Total nondurable goods (Index)	June	157.2	152.8	+6.6	+2.2
Food and bev.	May	150.2	133.9	+17.5	+3.5
Textiles	May	124.7	125.7	—8.9	....
Clothing	May	110.2	115.0	—7.9	—3.2
Chemical products	May	227.3	224.7	+6.2	+11.6
▪Total durable goods (Index)	June	158.5	153.7	+6.8	—3.5
Iron & steel products	May	143.1	141.2	—2.0	—3.6
Primary iron & steel	May	164.9	168.8	—11.6	+2.1
▪From mines (Index)	June	258.5	251.1	+10.2	+1.0
Metals	May	188.9	187.1	—4.1	—3.5
Nonferrous smelting, refining	May	158.4	163.1	—1.2	+7.2
Gold	May	110.1	106.6	+0.6	—0.1
—From farms					
Cattle delivered (000)	June	183	147	+34.6	+14.4
Hogs graded (000)	June	534	495	—3.8	—24.5
Grain mill products (Index)	May	132.2	129.3	+1.8	—2.4
—From sea					
East Coast catch ($000)	June	8,929	10,021	+203.7	—17.0
West Coast catch ($000)	June	2,643	2,054	+246.9	—26.6
—From forests					
▪Newsprint (000 tons)	July	556	566	—1.2	+3.7
Pulp (000 tons)	June	932	933	+3.0	+5.7
—In powerhouses					
Electricity (million kwh.)	June	9,133	9,368	—3.0	+10.2
WHAT WE SELL—					
Retail sales ($ millions)	May	1,407	1,422	+11.0	—3.2
▪Dept. store sales ($ millions)	June	112.1	116.5	—3.8	+1.7
Wholesale sales ($ millions)	May	784	696	+2.5	+4.0
▪Mfrs. outstdg. orders ($ millions)	June	2,138	2,170	—2.8	+3.9
▪Pass. car sales (units)	June	50,747	50,789	+1.2	+4.4
WHAT'S ON HAND—					
▪Mfrs. inventories ($ millions)	June	4,500	4,505	+0.3	+3.5
▪Dept. store stock sales ratio	June	3.1	3.0	+10.7	+3.3
SPENDING, SAVING POWER—					
Labor income ($ millions)	May	1,526	1,487	+4.3	+3.0
Dividend payts. (Index) (annual rate)	July	321.9	320.4	+0.8	+7.2
JOBS—					
▪Persons with jobs (000)	July	6,281	6,154	+4.8	+1.2
▪Jobless seeking work (000)	July	311	300	—22.1	+36.4
▪Do. (% of labor force)	July	4.7	4.6	—24.2	+34.3
CONSTRUCTION—					
▪Contract awards ($ millions)	July	267	306	—11.3	—12.5
FOREIGN TRADE—					
Exports ($ millions)	June	457	486	+23.8	—11.4
▪Imports ($ millions)	June	490	519	+2.7	—4.3
MONEY—					
Money supply ($ millions)*	May	12,807	12,809	+1.0	—0.3
Cheques cashed ($ millions)	May	22,886	23,221	+0.6	+9.9
Life insurance sales ($ millions)	June	543	558	+22.9	—2.2
Notice deposits ($ millions)	June	7,680	7,623	+0.1	—1.8
Current public loans ($ millions)	May	6,110	6,113	+0.8	+2.7
PRICES—					
Consumer prices (Index)	July	127.5	127.6	+0.1	+1.3
Wholesale prices (Index)	July	232.5	231.9	+0.5	+0.6

*Total deposits, less Govt. of Canada deposits, less float, plus notes in circulation outside the banking system.

STRATEGIC MATERIALS—Production and Supply—

	Latest	Month	Month yr. ago	Yr. to date	% chge. yr. to date
Steel ingots & castings (000 tons)	May	498	489	2,732.1	+16.2
Nickel (000 tons)	May	17.2	17.5	86.3	+27.5
Primary copper (000 tons)	May	36.9	32.6	181.8	+21.3
▪Lumber exports (million fbm.)	May	441	347	1,818.8	+10.0
▪Lumber (million fbm.)	May	656	674	3,134.9	+3.2

▪New item this week

Index based: production 1949=100; consumer price index 1949=100; wholesale price index 1935-39=100

Date of issue for your file, The Financial Post, August 27, 1960.

A. V. Roe to Make Aluminum Boats

A. V. Roe Canada Ltd., Toronto aircraft firm, is going into the boat business.

Avro is completing an agreement for production of an aluminum cruiser with one of the largest U. S. manufacturers of pleasure craft—**United Marine Inc.**

The aircraft firm has already called back some employees laid off when the Arrow program was canceled. Rumors of the agreement have caused considerable activity in the firm's stocks.

Although Roe officials would not comment on the agreement, **FP** learned that it involves production of an aluminum luxury cruiser of a new and advanced design.

United Marine Inc. is setting up an entirely new division to handle the craft. The U. S. firm already has a Richardson division in North Tonawanda, N.Y., and a Colonial division and United Seaskiff division in Millville, N.J.

These divisions produce wooden boats and entry into the aluminum boat field will be a departure from tradition for the U. S. firm.

What portion of the new craft Avro will manufacture has not been disclosed.

The Richardson division makes about 300 cruisers a year, varying in size from 24 ft. to 46 ft. and selling for from $5,000 to $55,000.

The two other divisions of the firm are about as large.

P.E.I. Threatens Fish 'Smugglers'

From Our Own Correspondent

CHARLOTTETOWN — Prince Edward Island is cracking down on fishermen who get help from the Provincial Fisheries Loan Board and "smuggle" catches to markets in Nova Scotia and New Brunswick.

A letter has gone to fishermen warning that their draggers will be forfeited if all fish is not delivered to P.E.I. plants.

Loan board chairman A. Walthen Gaudet says purpose of government loans for draggers is to increase the supply of fish available to local processing plants.

The board is merely enforcing a contract which each fisherman who is helped by the board signs.

Landings of fish in Nova Scotia and New Brunswick are forbidden under the agreements.

Start New Ship Link to Australia

First direct shipping service between Central Canada and Australia gets under way next week.

The 5,000-ton Antarctic Ocean of the Swedish line, **Atlanttrafik Express Service** will arrive in Toronto to start what will be a monthly service between Great Lakes ports and Australia.

Cargo of the fully refrigerated freighter: Meats, dried fruits and wines.

The Swedish line has three such ships scheduled for the run, possibly four. Two more sailings are expected before the end of the 1960 Seaway season. Agent is **March Shipping** of Toronto.

IAC Earns $1.83 in Half

MONTREAL (Staff) — Net profit of **Industrial Acceptance Corp.** for the six months ended June 30 was $5,520,515 or $1.83 per share, 11.4% higher than $4,957,543 or $1.64 in the first half of last year.

In the second quarter, company earned 93c per share, compared with 82c in April-June, 1959.

Volume of new business acquired by IAC and its two principal subsidiaries—**Merit Insurance Co.** and **Niagara Finance Co.** — exceeded the first six months of last year by a small margin.

"The end-of-June receivables were $541.2 million, compared with $489.2 million at the end of June, 1959," President J. H. Ranahan told a special meeting of shareholders last week.

He added it "seemed reasonable to expect" that volume of business acquired in 1960 would slightly exceed last year's levels, establishing a new record for the company.

Shareholders approved a bylaw broadening scope of company's activities (**FP**, Aug. 6). This will enable IAC to make capital loans, particularly for working capital, in the manufacturing, industrial and commercial field.

The new service is aimed particularly at small to medium-sized firms which cannot obtain required capital at the chartered banks or through Industrial Development Bank and, because of their size, are precluded from financing through normal market channels.

The new bylaw, for example, would enable IAC to make a loan to a company which had bought and paid for new trucks and subsequently found itself strapped for working capital.

Previously, IAC was empowered to finance the truck purchase but could not have lent money to the company on the trucks per se.

Shareholders also approved an increase in number of directors to 15 from the present 12.

An issue of $7.5 million 6% 20-year secured notes, Series W, has been privately placed at par by **Greenshields & Co.** and **Wood, Gundy & Co.**

The Outlook

(CONTINUED FROM P. 1)

manufacturers, public utilities.

Estimates by DBS of direct foreign investment in Canada are available only up to March 31. Preliminary estimate for first-quarter 1960 was $175 million, compared with $80 million a year earlier, $93 million two years earlier.

Trade in outstanding securities, however, has revealed little evidence of increased interest by foreign investors in the early part of the year. Data on the trend of the past month or two will be of special interest when it appears in coming weeks.

* * *

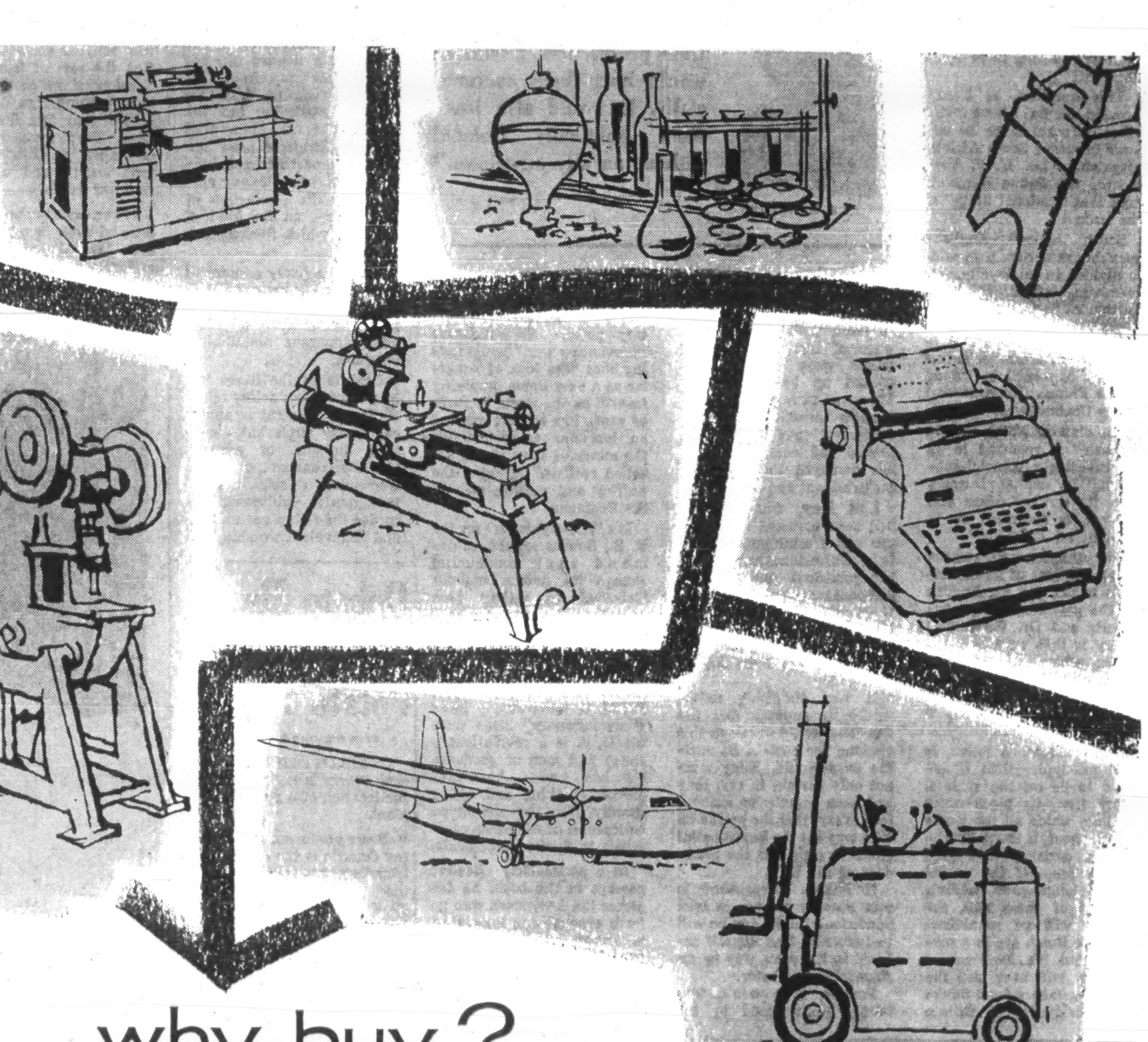
July external trade figures marked the fifth monthly increase this year in our exports to all countries, compared with corresponding 1959 months. Monthly total exports reached $429.4 million, 8.3% more than in July last year. **The 1960 export total stood at July 31 at $3,067 million, almost 8.5% ahead of last year's total at that date.**

There was a monthly decline of 11.7% to $249.3 million in our exports to the U. S. But the seven-month total of exports south of the border, $1,783 million, is still slightly higher than last year's.

Exports to the U. K. made new gains last month. The monthly figure of $88.9 million compares with $52.7 million in July 1959. Seven-month total is at $525.2 million just 26% up over last year's. Shipments to other Commonwealth countries continued at higher levels too. Less spectacular gains were made, however.

Weak point in this generally good news is little or no progress in our exports to other markets. Exports to Latin America so far this year have dropped from 3.5% to 2.2% of our total. Raw materials made gains in the Common Market area. But agricultural products continued to drop slightly. Manufactured goods made little headway anywhere except in the U. K. and in the U. S.

Ottawa's concern shows in the dispatch of three trade missions to the "depressed areas": the European continent and Latin America.



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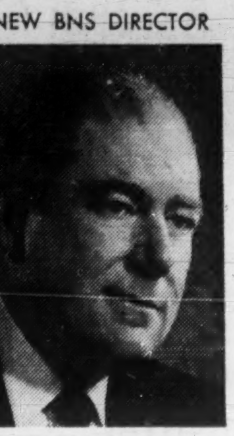
ANNOUNCEMENT

NEW BNS DIRECTOR



EDWARD D. LOUGHNEY

Mr. F. William Nicks, President, The Bank of Nova Scotia, announces the election of Mr. Edward D. Loughney to the Board of the Bank. Mr. Loughney is President, Chief Executive Officer and Director, The British American Oil Company Limited, Toronto.

Among his other directorships are: Trans Mountain Oil Pipe Line Company; Interprovincial Pipe Line Company; Trans-Canada Pipe-Lines Limited; Trans-Northern Pipe Line Company; Montreal Pipe Line Company Limited; Portland Pipe Line Corporation.

Mr. Loughney is an honorary life member of the Canadian Petroleum Association and a member of the American Petroleum Institute.

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ANNOUNCEMENT

TORONTO GENERAL TRUSTS

BRETT F. SINE

whose appointment to the Calgary Advisory Board of The Toronto General Trusts Corporation is announced by C. C. Calvin, Q.C., President.

Mr. Sine, President and General Manager of Revelstoke Sawmill Co. Ltd. and its associate, Atlas Lumber Co. Ltd., is Chairman of the Alberta Forestry Association and a Director of Interprovincial Building Credits Ltd. He is also a past President of the Western Retail Lumbermen's Association.

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YOUR TAXES

An exclusive FP column of comment on the trends in personal and business taxation

Meal Chits vs. Cafeterias: Should We Follow U.K.?

By JOHN G. McDONALD, LL.M.
McCarthy & McCarthy, Toronto

Our Income Tax Act carefully restricts tax-free allowances and deductions available to employees because small revenue leakages add up to big money when they are spread over millions of taxpayers.

Wage and salary earners as a whole pay 75% of our personal income taxes, and although a minor tax concession is small to the individual, it is costly in over-all revenue terms.

For this reason we have been intrigued for some time by the United Kingdom practice of allowing employers to buy (on a tax-deductible basis) meal vouchers for their employees who receive them free of tax.

The Old Country practice corresponds to the Canadian 'company cafeteria".

The only social difference we have observed is that the English system helps to sustain the quantity and quality of city restaurants, while ours pays homage to the philosophy of "togetherness" in corporate life.

Money Goes Around And Comes Out Here

Our income tax system is a smashing success because of the modern division of labor.

To demonstrate this proposition, take the case of Louella Bloggs, who runs a computing machine in the widget department of Sparkling White Washing Machine Ltd. Louella's weekly wage is subject to tax "at the source", so that what she has left she regards as take-home pay.

With this money she buys goods and services, such as a new pair of shoes, a holiday trip to Quebec, and a cap for the tooth she broke off while skiing in the Laurentians.

On April 30 next, the shoe merchant, the travel agent and the dentist all report as revenue the money they received from Louella. On their profit on this, they pay tax.

They each, in turn, buy a new automatic washer from Sparkling White which, in due course, pays tax on the profit component of the sale price received.

But nobody pays tax on Louella's lunch because she eats in her employer's cafeteria. The lunch costs her 25c, although it is worth 90c on a restaurant menu and costs Sparkling White 45c to provide.

Louella pays no tax on the 65c "saving" to her pocket, and the company deducts the 45c as part of the cost of retaining the services of a contented employee. At the same time, the restaurant outside makes no profit and pays no tax.

The situation is not unlike the case of the two Irish washerwomen in Liverpool a few years ago. Tiring of taxes, they took in each other's washing on an exchange basis.

This barter system has great possibilities, when you analyze it! Suppose Sparkling White installs a company shoe store, travel office and dentist, to provide Louella with her former requirements at bargain prices. This way the company can pay her no higher salary, while maintaining her real income and reducing her taxes.

Luncheon Voucher Popular in U.K.

We are informed by the pamphlet issued by **Luncheon Vouchers Ltd.**, a non-profit United Kingdom organization that "Under their present practice, the Inland Revenue will not normally seek to assess the value of luncheon vouchers given to employees provided that they are:

1. Not transferable and used for meals only,
2. Available to lower-paid staff where any restriction is placed on their issue, and
3. Of a value not exceeding 3s for each full working day.

The concession is given in respect of vouchers issued to directors of companies, but not in respect of those issued to partners and sole traders."

Our first indignant reaction to this obvious discrimination against the self-employed was tempered by the thoughts that few British company directors buy a 3s lunch anyway, and that the self-employed seldom have time to eat one at any price.

Income in Kind Is Taxable

We do not delude ourselves, however, with the thought that employer paternalism will be permitted to confound the Revenue either here or in the United Kingdom.

Take the recent case of **Wilkins v. Rogerson** for instance, in which an employer gave each of his employees a new suit for Christmas.

The suits cost £14 each, but when this sum was assessed to the employees as a perquisite of the job, the court held that only £5 should have been included — because the suits were second hand when they reached the employees and £5 was established as the value of a second-hand suit.

Applying this theory, it is only a short step to selling suits to your employees at £5, with two pairs of pants for male staff to make up for the savings in the stenographic pool. Our London correspondent assures us that this is now receiving serious consideration.

Legally, of course, the Canadian position is that "employment income" includes "salary, wages and other remuneration . . . plus the value of board, lodging **and other benefits of any kind whatsoever . . ."**

The United Kingdom legal position is similar to ours.

It is merely assessment practice that gives employees the advantages they enjoy. If we were offered a choice between the two systems, we would select the British on the ground that Canadian restaurants could stand more patronage, and the employees would have a wide choice of Voucher hostelries at their command.

Manitoba to Study Pricing of Drugs

From Our Own Correspondent

WINNIPEG — The Manitoba government will study retail price of drugs in the province.

It will be made by its Department of Industry and Commerce in co-operation with the Manitoba Pharmaceutical Association.

The association has offered to appoint a committee to work with government representatives.

It has also volunteered a 15% discount on bulk sale of drugs under the government's recently announced Medicare program.

The enquiry into prices was undertaken because the government has agreed to pay cost of necessary drugs to those to whom it has issued Medicare certificates.

The certificates, effective from July 1, were issued to recipients of all forms of social assistance.

Drug supplies are available without cost to the patient only on prescription of a medical practitioner. In Greater Winnipeg they are obtainable from specified hospitals.

Outside Winnipeg they may be obtained from pharmacists on presentation of the Medicare certificate and the doctor's prescription.

Alberta Considers Switch To Short-Term Borrowing

From Our Own Correspondent

EDMONTON — Alberta may change its borrowing tactics — switching over to short-term loans as an interim measure until market interest rates improve.

Provincial Treasurer E. W. Hinman said Alberta Municipal Financing Corp. has been asked to look into this possibility. However, no decision has been reached.

This year the MFC has borrowed $30 million on the U. S. money market and expects to take out another $30 million in either Canada or the U. S. in the fall.

Cost of initial loans to the government-sponsored corporation came to about 5.2% interest over 25 years.

Hinman thinks that by going after short-term loans the corporation might obtain money for 4¼% to 4½% over one to three years.

Another benefit:

The corporation might be able to obtain Alberta investment capital instead of going outside the province or the country.

Hinman said:

"I think it's simply a matter of issuing short-term debentures and going out and selling them."

He noted there are indications interest rates may decline and if the corporation could manage with short-term financing for the time being it would produce savings.

So far the corporation, set up by the provincial government to borrow money on behalf of Alberta municipalities, has borrowed $138.2 million. The province guarantees the principal and interest.

J. T. Harris Heads Management Body

J. T. Harris of **IBM Co.** has been elected president of the Canadian Industrial Management Association, Toronto branch, for 1960-61.

Other officers of the organization, to which middle management personnel belong:

HARRIS

W. E. Vidler, **Philco Corp.**, 1st vice-president; T. O'Brien, **Square "D" Co.**, 2nd vice-president; A. G. Reed, **American Standard Prod.**, general secretary; C. Lepore, **Honeywell Controls**, treasurer.

Directors are:

W. Ure, R. C. Smith, W. Edgley, W. J. Wright, W. Cohen, G. W. Swigger, D. A. Pedwell, H. K. Hinsche, L. Bates, T. Savage.

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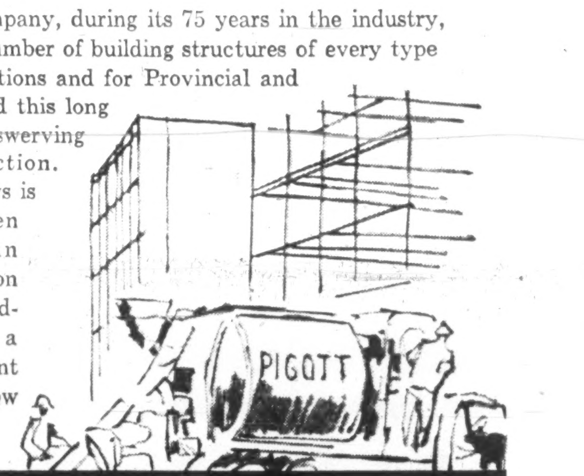

This new Toronto-Dominion Bank Building in Montreal is now being built by the Pigott Construction Company. A sixteen-story structure, it will be ready for occupancy May 1st, 1961.

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P-60-2

ANNOUNCEMENT

ROYAL TRUST APPOINTMENT

H. E. TRENHOLME

The Royal Trust Company has announced the appointment at its Head Office in Montreal of H. E. Trenholme as Supervisor of Pension Trusts.

Since joining the Company in 1953, Mr. Trenholme has held positions of increasing importance in pension planning and management at Montreal and Toronto, serving latterly as Manager of the Pension Trust Department in Toronto. In his new post he succeeds R. S. Whyte who will shortly be assuming other executive responsibilities.

Read "How the Alaska Highway, a liability, brought one billion dollars in new wealth in fifteen years" in a 72-page Compendium for $2 post paid with money-back guarantee.

ALASKA HIGHWAY NEWS

Fort St. John, B.C.

Hoffa Lawyers Plot Strategy

Few people take seriously manoeuvres by Hoffa aide Harold J. Gibbons apparently designed to have the Teamsters readmitted to the Canadian Congress of Labor.

Many Canadian unionists are afraid Gibbons is just preparing the way for the Teamsters to set up its own congress outside the CLC.

By CLIVE BAXTER

MONTREAL (Staff) — The high-priced legal advisers of the mighty Teamsters Union chose Montreal for a meeting this week — and put most of Canadian organized labor into a tizzy.

The lawyers — one Canadian and more than 100 from the U.S. — include some of the smartest in the business.

Their combined efforts have blunted almost every drive by the U.S. administration and courts to trim the power of Teamster President James Hoffa and his lieutenants.

There were reports at midweek that Hoffa would put in an appearance at the meeting. But top Teamster at the open sessions was Vice-president Harold J. Gibbons, universally conceded to be the No. 2 man in the organization.

It was Gibbons who set labor circles buzzing with his statement that he was "ready" to meet Canadian Labor Congress President Claude Jodoin to discuss the terms by which the teamsters could rejoin CLC.

They were expelled earlier this summer for raiding railway unions in British Columbia.

Contacted by **FP**, Jodoin was non-commital on the subject of a meeting.

"The first I heard about it was what I read in the paper," was his only comment.

Most observers of the Teamsters-CLC dispute are certain that Gibbons doesn't honestly believe that a meeting with Jodoin could lead to his union being allowed back into the Congress — not unless it is prepared to mend, or at least appear to mend, its ways.

And since its expulsion, the Teamsters' Union has pressed its efforts to sign the employees of **CPR's** merchandising services division. It was this organizational drive that created the clash with the rail unions.

Having been turned down twice by the Canada Labor Relations Board, the Teamsters in B. C. called an unofficial strike which has been roundly condemned by the CLC executive.

That being the case, it seems highly unlikely that Gibbons believes Jodoin could consider even discussing letting the Teamsters back into the fold under present conditions.

So why the offer to meet?

One popular theory:

The Teamsters Union is manoeuvering into a position where it could claim to have tried everything to get back into CLC and, having met with no success, it now has no alternative but to form its own Canadian Congress made up of unions outside CLC.

That prospect chills many Canadian union leaders. They are frankly worried about what effect an all-out Teamster drive — with its promises to gain workers sky high wages — might have on their membership.

If it were to turn into a battle of wildcat strikes the whole Canadian union movement would suffer in the public eye on the eve of its entry into the political arena.

Many union leaders would like to see the Teamsters back in the fold where some control can be exercised to keep them in line. But the congress has taken a stand on the issue and cannot easily back down.

If the lawyers in Montreal this week can arrive at a formula to give CLC a face-saving way of readmitting the Teamsters, there will be plenty of backroom pressure on Jodoin to give in.

Not for the first time — and quite probably not for the last — Jimmy Hoffa's legions seemed to be forcing another crisis decision on Canadian organized labor.

Our Morning Letter of August 23

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Israel Bond Drive Chairman for 1960 Is John R. Devor

Toronto businessman John R. Devor is the city's chairman for the 1960 Israel Bond campaign which this year seeks a record $2 million in subscriptions.

DEVOR

Last year's bond drive raised $1.6 million from 4,000 purchasers.

The new chairman, general manager of **Van Kirk Chocolate Corp.** and a prominent leader in national and city Jewish organizations, notes that Canadians have provided nearly $250 million in aid to underdeveloped countries.

The current Israel bond drive, he said, comes at a time when this new nation is realizing a great scientific breakthrough — the processing of sea-water to fresh water in commercial quantities and at rates little above Toronto consumer costs.

Hal Banks and SIU Profit From U. K. Seamen's Strike

By CLIVE BAXTER

MONTREAL (Staff) — Shipping men on both sides of the Atlantic are studying the role of Hal Banks and his Canadian Seafarers in the unofficial British seamen's strike.

Since the strike started the Canadian membership of the Seafarers' International Union have been supporting it wholeheartedly. The union supplied picket lines for some British vessels tied up in Montreal.

At midweek 38 British sailors were arrested in Montreal after they refused to obey orders given by the master of the Beavercove.

Officially the strike had been called off, but the men refused to work. Legal counsel for the men was supplied by the SIU, and Banks told newspapermen that he and his union would give the men "continued support."

How much money the SIU has paid out to help the strike is not known.

But there is considerable speculation that Banks and the SIU may actually have provoked the work stoppage.

Officials of the British Seamen's Union have charged openly that much of the unrest was caused by Canadians.

Certainly no love is lost between the SIU and the British union.

Banks wants to sign up British seamen who operate regularly from Canadian ports.

As Canadian wages are far higher than those paid U. K. seamen, the SIU has a strong bargaining point.

There have been frequent reports of SIU representatives contacting British seamen in port to give them "pep talks" on the advantages of being members of the Canadian union.

Under the circumstances, anything that weakens the authority of the British union would seem to profit the SIU.

The recent strike indicates to shipping men the British union has suffered a considerable defeat through its inability to control its members.

Now a new rival body which calls itself the National Seamen's Reform Movement has been set up in Britain with the avowed intention of destroying the existing union. This new organization seems to have the backing of the SIU in Canada.

In the long run, some shipping men estimate, the new British movement and the SIU must come to a parting of the ways.

The SIU wants to sign up British seamen eventually and the reform movement is bound to oppose it.

But for the time being both bodies are united in their desire to upset the status quo.

The British rebels feel the old union has fallen down on the job and has failed to get high enough wages for British sailors.

The SIU wants to create a situation which will remove the wage advantages for Canadian companies operating under the British flag.

Tor.-Dom. Bk. Staff Changes

J. B. GRAY, manager, O'Connor and Curity, Toronto, to be manager, 123 Eglinton Ave. E., Toronto.

J. F. STEIN, manager, Eglinton and Bimbrok, Toronto, to be manager, O'Connor and Curity, Toronto.

C. E. M. SOUTER, manager Pioneer Mine, B.C., transferred to other duties in the B. C. divisional office, Vancouver.

F. L. LOWENS, manager, Cornwall, Ont., to be a supervisor, credit department, head office, Toronto.

L. T. McBRIDE, assistant manager, Bank and Sparks, Ottawa, to be manager, Cornwall, Ont.

W. H. BRIDGEMAN, accountant, Bloor and Bathurst, Toronto, to be manager, Eglinton and Bimbrok, Toronto.

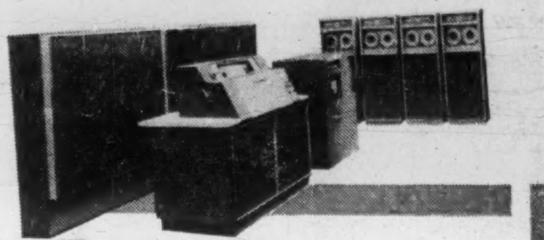
W. H. TRITTON, credit officer 713 Columbia St., New Westminster, B.C., to be manager, 48th Ave. and Fraser St., Vancouver.

A. EPP, accountant, Swan River, Man., to be manager, 8th St. and Preston Ave., Saskatoon.

A. J. DAVIE, trader, foreign exchange department, 3 King William St., London, Eng., to be accountant, 103 Mount St., London, Eng.

D. C. ADLEY, assistant accountant, Yonge and Lawrence, Toronto, to be accountant, 123 Eglinton Ave. E., Toronto.

A. G. ALLAN, 1st assistant accountant, Hastings and Seymour, Vancouver, to be accountant, 713 Columbia St., New Westminster, B.C.



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Revive Plans For Waterway

From Our Own Correspondent

WASHINGTON — Support is growing again for a waterway from the Great Lakes to the Ohio River.

A report issued by the U. S. Corps of Engineers listing projects that should be seriously considered to improve the U. S. inland waterways system, made the Ohio River-Great Lakes waterway point number one.

Also suggested is a system of locks and dams to connect the coal fields of eastern Kentucky and western West Virgina with the Ohio River system.

The idea behind these suggestions:

This would provide cheap transportation for Canadian iron ore moving into the steel-making centre of the U. S.

It also might make it cheaper to export coal via the Great Lakes.

The Ohio River-Great Lakes waterway, the engineers have figured in past studies, probably would be about 12 ft. deep.

It would be exceedingly expensive, however because it would cut across already settled land.

Studies have been made of the project since the days of President Teddy Roosevelt.

A more recent study, however, provided a novel approach — building what was called a "tunal", an underground canal running from Lake Erie to the Ohio River.

For Jonathan Cline, British manufacturer, this has been a most satisfying day. He has just decided on the perfect site for his assembly plant in Canada. To help him find the concentration of facilities he needed, he had the help of the Bank's Regional Business Development Departments across Canada.

Sales Manager Bill Thompson has just returned home from The West Indies with several signed contracts in his brief case. Information leading to this new source of export business came from his company's Canadian Bank of Commerce manager who, learning of his customer's sales plans, had the Bank's International Department supply facts about this growing foreign market.

Two enterprising business men moving goods in different directions... both benefiting from the sound advice and specialized services of The Canadian Bank of Commerce... an international bank, alert to customers' needs and business conditions in a fast-changing world.

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B-60

Company Reports

Beverages

INTERIOR BREWERIES LTD., Creston, B.C., consolidated net profit of $41,054 for year ended March 31, 1960, was 62.6% lower than previous year's net of $109,740.

Gross sales declined 7%, due mainly to increased competition, reports President C. B. Delbridge. Start-up expenses at the new Creston plant were heavier than anticipated. These resulted in a loss of $33,000 for the first three months of the fiscal year.

To conserve working capital, dividends paid June 15, 1960, on the class B stock were reduced to 6c a share from 12c per share.

President Delbridge says that prospects for this year are "excellent".

CONSOLIDATED INCOME ACCOUNT

Years Ended Mar. 31:	1960	1959
Sales	$1,763,167	$1,908,644
Net oper. inc.	341,313	416,166
Less: Loss sale invest.	10,816	2,551
Net earnings	330,497	413,615
Less: Deprec.	123,603	83,774
Fixed chgs.	92,612	95,997
Misc. chgs.	30,036	28,554
Income taxes†	43,192	95,550
Net profit	41,054	109,740
Less: Cl. A divds.	16,115	16,116
Cl. B divds.	60,480	55,080
Surplus	‡35,541	38,544

‡Deficit.

†Includes $47,902 in 1959 and $34,120 in 1960, not currently payable due to claiming excess deprec. for tax purposes.

	1960	1959
Times Fixed Charges Earned:		
Before deprec.	3.57	4.31
After deprec.	2.23	3.44
Earnings per Share and Dividend Record:		
Class A	$1.27	$3.40
Paid	0.50	0.50
Class B	0.10	0.37
Paid	0.24	0.24
Shares o/s as at Mar. 31:		
Class A, pref., n.p.v.	32,231	32,231
Class B, n.p.v.	252,000	252,000

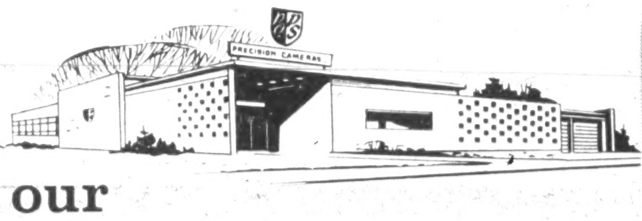
CONDENSED BALANCE SHEET

As at Mar. 31:	1960	1959
Cash	$5,871	$5,758
Accts. rec.	149,423	170,923
Constr. funds	......	303,911
Inventories	245,545	264,454
Prepaid exp.	24,570	......
Total curr. assets	425,409	745,046
Other assets	1,905	6,971
Unamort. bd. disc.	71,356	88,944
Goodwill, at cost♦	264,816	264,816
Fixed assets*	1,804,188	1,741,481
Total assets	2,567,674	2,847,258
Due bank	128,023	223,626
Accts., etc., pay.	267,125	320,397
Income taxes	9,712	......
Total curr. liab.	404,860	544,023
Funded debt	972,000	1,111,000
Def. inc. tax	82,022	47,902
Capital stock	1,047,374	1,047,374
Earned surplus	61,413	96,959
*After depr. of	667,122	753,528
♦After write offs.		
Working capital	20,549	201,023

CANADIAN FOOD GAINS

Canadian Food Products Ltd., Toronto, net profit was over $160,000 during the first five months of current fiscal year. Loss was more than $125,000 in the corresponding 1959 period and $116,895 for the full year ended Feb. 27, 1960.

"In one short year



our **National** machine has paid for itself"

writes Mr. E. M. Mendelson, President, Precision Cameras of Canada Ltd., Montreal, P.Q.

"We would like to tell you how pleased we are with our new National Class 32 Billing and Accounting Machine. Since its installation in July, 1958, it has already paid for itself.

At present, we are in the midst of a huge expansion project. This naturally has increased our volume of work considerably, and we are pleased to say that the new National machine has helped us handle the increase without difficulty and still maintain our good service policy.

With the National machine, our Billing, Posting, Sales Journal and Salesmen's Commissions are done simultaneously. We have also incorporated a Sales Analysis Program, Accounts Receivable Age Analysis and Cash Receipts.

We have been surprised at the simplicity in using this machine and have encountered no difficulty in training operators. May we take this opportunity to thank your sales staff, who have been most cooperative during the changeover to our present system."

263

No matter what your business, there is a National machine to simplify your work and increase profits. Call your nearby National representative for further information and a free demonstration. He's listed in the yellow pages.

THE NATIONAL CASH REGISTER COMPANY OF CANADA LIMITED
HEAD OFFICE: TORONTO • SALES OFFICES IN PRINCIPAL CITIES

National
CASH REGISTERS · ADDING MACHINES
ACCOUNTING MACHINES

Sir Beverley Baxter

writes from London

"Europe is on the march — but it is the march of ordinary men and women who want to enjoy happy and peaceful lives..."

NORMALLY this is the time of the year when city dwellers rush for the seaside to browse on the piers, to swim, to lie in the sun, and perchance to dream. Even the politicians seek solace in golf, and white-capped yachtsmen appear in all their airs of social superiority.

But something must have angered the sun god, for it has disappeared behind the clouds and refuses to take any part in the festivities.

Hour after hour the rain god spits its anger upon the earth and the sea beneath.

The boarding houses have become prisons from which almost no one emerges, and the hotels are like crowded mausoleums.

* * *

IN THE POLITICAL sphere there is the warm sun of hope, and once more we are reminded that personalities dominate events.

Of all human qualities the greatest is integrity and today we see the splendid achievements of Macmillan, de Gaulle and Adenauer in the conference at Bonn on the Rhine.

Logically and sensibly they are trying to avert the division of Europe into the Six and the Seven.

Their purpose at first was to halt the tendency of the Common Market to act as a super-nation. The European Free Trade Association, led by Britain, has an entirely different attitude and never showed this trend.

At the end of the conversations in Bonn Mr. Macmillan described the decision as an historic one. It was a significant change in procedure and, said Macmillan, should be recognized as such.

* * *

IT DOES NOT NEED stressing to understand the possibilities of such an agreement.

For centuries the nations of Europe waged war against each other and now, at last, there is the realization and also the declaration that Europe should become a community, based upon mutual trade, and the end of civil war—for that is what the wars of Europe have been.

There is wisdom in the pronouncement by Dr. Adenauer that the integration of the Common Market had gone far enough. There we must leave the continent to its thoughts but from this island nation we feel the warmth of hope even though the rain continues to splash upon the island kingdom and its people.

* * *

BUT IT IS NOT ONLY in the realm of international politics that there is the warmth of hope.

This week in Munich 2,000 German youths took part in a "march of atonement" from Munich to the former Nazi concentration camp at Dachau.

It is not without significance that Scottish and Irish scouts marched with German youths to the camp where 20,000 Roman Catholics attended the dedication of a memorial chapel to the 30,000 prisoners who were put to death there.

Standing before the gates of the prison a priest kneeled before the crucifix and then declared:

"Not only those who had the power were responsible. We all know, more or less clearly, that we have our share in sin. We are all aware of the extreme gravity of the guilt we Germans have to take upon ourselves. We are responsible for the misery of fellow men from 37 nations. We confess our guilt to God, to the victims, and to each other, and the guilty among us ask for forgiveness."

The only jarring note was caused by Dr. Schacht who arrived in a grey suit which caused the Secretary General of the German Catholics Committee to declare that the Herr Doctor's appearance was surprising and tasteless.

Nevertheless there was a general feeling that the voice of human decency was heard in a setting that will be remembered with horror for years to come.

* * *

IT IS TRUE that trade can create rivalry between nations but it is equally true that mutual trade can bring nations together in amity.

Therefore I suggest that we look at the facts and figures of Anglo-Russian trade for the first six months of this year.

- **Britain's exports to the Soviet** were almost double those for the same period last year.
- **Including re-exports,** Britain sold £25,707,881 of goods, an increase of £12,069,578.

To balance matters, and for the same period, the Russians sold to Britain £24,600,708 of goods, giving them a more modest rise of £4,459,052.

How does this all add up?

The answer is that last year Britain had a trading deficit of just over £6 million. Therefore we have some cause for satisfaction even though it is on a six months basis.

But there is a significance in it all which cannot be expressed in terms of money.

Trade is the great sanity of a competitive world.

Further than that, Russia is moving irresistibly toward a bourgeois state. Our pudgy, belligerent friend, Khrushchov, is as out of date as the dodo.

I can only repeat what I wrote before in **FP**, that one of the best informed men in Britain told me that Russia is developing irresistibly into a bourgeois state and that Khrushchov can delay, but not deny, the ultimate achievement.

In short, Europe is on the march—but it is the march of ordinary men and women who want to enjoy happy, peaceful lives. It may be raining in England, but the sun is shining over Europe.

* * *

THE TIMES newspaper (which used to be called "The Thunderer") has just perpetrated a literary gaffe in reviewing a book dealing with Wellington House Academy where Charles Dickens was at school from 12 to 14 years of age.

In the course of the review The Times makes the astonishing statement that Dickens had a hatred of exaggerating either happiness or misery.

Surely, if words mean anything, the characters of Dickens were nearly all outsize.

Was there ever such a benevolent old gentleman as Mr. Pickwick?

Was there ever such feminine goodness as that of Agnes?

Was there any living Cockney that could compare with Sam Weller?

Nor is this review placed among the book section. It is in the editorial column which is the official voice of the newspaper itself.

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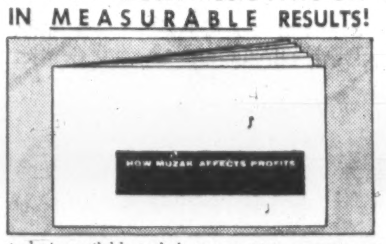

A new study is available to help progressive management assess the value of planned work music in commerce and industry. Four actual case histories graphically show how Muzak produced results such as:

1) 8.02% productivity increase
2) 18.6% gain in key punch productivity, etc.
3) 38.6% reduction in typing errors
4) 53.3% staff turnover reduction

The study also breaks results down to show how Muzak affects various age groups, intelligence levels, experience levels, etc. It's a "must" for any management man who has ever doubted that scientifically planned work music can pay off in profits as well as in goodwill. It is available, free of charge, to businessmen who seek greater efficiency and lower operating costs. Simply write or 'phone Rediffusion Inc., as detailed below.

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Write or 'phone for case study reports, additional survey results.

☐ Please send additional literature re Muzak's effect on production and corporate profit.

☐ Have Muzak representative contact me.

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Company ....
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City .... Prov. ....

REDIFFUSION INC.
6301 Park Avenue, Montreal
CR 6-2501

B. C. Says Time is Ripe For Local Glass Industry

From Our Own Correspondent

VICTORIA—The B. C. government wants a glass industry in this province.

The government's statistical and economical experts say the time is ripe.

A new government report says:

"It is hoped the growing market for these products will attract the interest and further study of potential manufacturers in the establishment of a glass industry. At present no pressed, blown or drawn glass is manufactured in this province."

Glass consumption is increasing each month in British Columbia.

In 1949 the per capita consumption was $3.49. Now it has risen to $5.60.

The government experts report that "the natural market for a flat glass plant located in British Columbia would be the Prairie Provinces. Another market that may be penetrated is the Pacific Northwest of the U. S. There is no flat glass produced in this area."

"It would appear practical to locate a glass plant in British Columbia near the greatest concentration of western Canada's market and adjacent to the western U. S. market," the report says.

"A plant so located could import the silica sand or develop local deposits and at the same time take advantage of local natural gas supply and Canadian labor costs."

The report sums up: "It would appear that now is the time for serious consideration for a glass bottle plant, and possibly a flat glass plant to be established in British Columbia.

"All the raw materials—and in particular silica sand and natural gas, are available in abundance in the province of British Columbia.

"Labor costs, being a significant part of the total costs, would favor a plant located in British Columbia rather than the highest labor cost area of the western U. S."

T & S May Launch New Retail Chain

NORTH SYDNEY, N.S. — **Thompson & Sutherland Ltd.** of North Sydney has opened its 10th retail store.

Called Atlantic Hardware, it may be the first of another Maritime chain. It is in the Greenwood Shopping Plaza at Greenwood, N.S.

Company has a large wholesale operation in Cape Breton. Nine other retail stores with the Thompson & Sutherland name are in this area and New Glasgow.

T & S was the recent target for a proxy battle between dissident shareholders and management that ended with a management victory (FP, April 2).

Life Benefits Show Increase

During June, Canadians received more than $48.6 million in life insurance and annuity benefits from the more than 60 Canadian, U.K., U.S., and other European life insurance companies operating in this country.

Month's payments brought the total paid in the first six months of the year to $280.3 million — $34.4 million more than paid in the first half of 1959.

Death benefits rose from $94.2 million in 1959 to $95.9 million so far this year, Canadian Life Insurance Officers Association reports.

Payments of matured endowments, cash values, disability benefits and annuities amounted to $130.9 million in the first half of 1960, while policyholders received dividends of $53.5 million in the same period.

Company Reports

Food

ESSEX PACKERS LTD., Hamilton, net profit of $182,626 for year ended April 2, 1960, was 4.7 times previous year's net of $39,154.

Sales volume and tonnage increased 25% over previous year.

Profit equaled 2/3 of 1% per sales dollar or ¼c per pound.

President H. Poworoznyk says it will be difficult to maintain volume and profit objectives this year.

INCOME ACCOUNT

Years Ended:	Apr. 2 1960	Mar. 28 1959
Net earnings	$522,560	$185,510
Less: Depr.	158,402	123,312
Taxes	181,532	23,044
Net profit	182,626	39,154
Less: 1st Pf. divds.	22,425	22,425
Surplus for year	160,201	16,729
Earnings per Share and Dividend Record:		
1st Pref.: Earn	$20.36	$4.36
Paid	2.50	2.50
Com.: Earned	1.14	0.12
None paid.		
Shares o/s as at:		
5% 1st Pref., $50 par	8,970	8,970
Common, n.p.v.	140,000	140,000

CONDENSED BALANCE SHEET

As at:	Apr. 2 1960	Mar. 28 1959
Cash	$270,174	$42,146
Accts rec. less res.	740,932	957,583
Inventories	1,494,097	1,352,119
Prepaid exps.	112,297	43,842
Total curr. assets	2,617,500	2,395,690
Investments	200	61,200
Fixed assets*	1,228,158	1,077,568
Goodwill, formulas	1	1
Total assets	3,845,859	3,534,459
Due bank	954,675	1,619,462
Other curr. liab.	1,102,508	287,982
Total curr. liab.	2,057,183	1,907,444
Def. credits	2,720	943
Pref. sink. fund	58,591	42,572
Capital stock	1,148,500	1,148,500
Capital surplus	23,092	23,092
Earned surplus	555,773	411,908
*After depr. of	975,176	835,602
Working capital	560,317	488,246

NEW MAPS: KENORA

Aeromagnetic survey maps 880 to 889 inclusive, prepared for the Ontario Department of Mines and Geological Survey of Canada, of the Kenora district are now available. Price: 25c each from the Ontario Department of Mines, Parliament Buildings, Toronto.

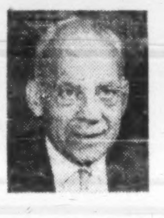
BOYLES BROS. DRILLING COMPANY LTD.

Announce the Introduction of their

EASTERN and WESTERN DIVISIONS

BOYLES BROS. DRILLING COMPANY LTD. are pleased to announce the introduction of their newly established Eastern and Western Divisions.

THE EASTERN DIVISION under the management of Don Mackay will include Boyles Bros. Drilling (Eastern) Ltd. at Port Arthur, Boyles Bros. (Quebec) Ltd. at Noranda, Boyles Bros. (Maritime) Ltd. at Moncton and the newly formed sales division at Toronto.



THE WESTERN DIVISION under the management of Reg McWilliams will include Boyles Bros. Drilling (Alberta) Ltd. at Edmonton and Boyles Bros. Drilling Ltd. at Vancouver.

BOTH MR. MACKAY AND MR. McWILLIAMS in future will act as Assistant General Managers to Mr. J. D. Campbell, recently appointed Director and General Manager of Boyles Bros. Drilling Company Ltd.

WE LOOK INTO THE EARTH

BOYLES BROS
DRILLING COMPANY LTD.
VANCOUVER, CANADA

17 award winning commercials

The TV Commercials Council has selected the winners of the first American TV Commercials Festival and Forum.

This Forum is a new competition supported by Sponsor Magazine. Criteria for judgment: impact, believability, tastefulness, copy line, demonstration, identification.

The judges were 50 top advertising men who picked winners from 1327 commercials submitted by agencies and production companies.

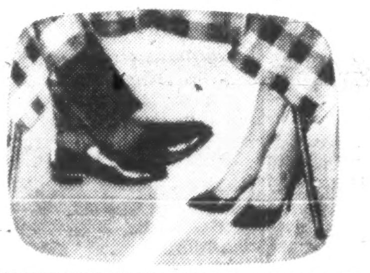
In the awards for last year's commercials, which fell into 27 categories, Y & R won five first places, seven seconds, one honourable mention and four awards in the "specials" group. One of the 27 categories was devoted to Canadian commercials. In this category, two of the three awards available were given to commercials created by Y & R, Canada for Nugget Shoe Polish and Robin Hood Oats.

In addition the Nugget commercial also won the only "Television Commercial Award" offered in the "Canadian Film Awards." The series of Robin Hood Oats commercials was also picked for a "Marketing Award" at the A.C.A. Convention.

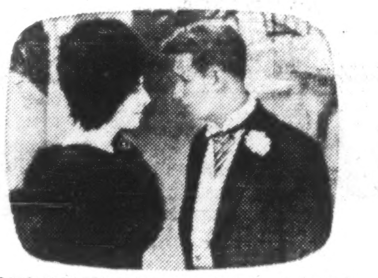
Objective 1960? More good commercials.

YOUNG & RUBICAM, Advertising

PIEL'S BEER • PIEL BROS.

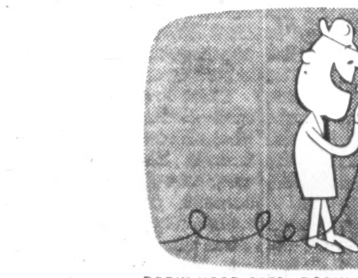


NUGGETT SHOE POLISH • RECKITT & COLMAN, LTD.



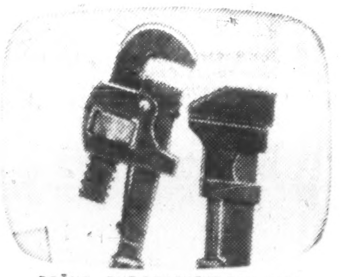
REFRIGERATOR-FREEZERS • GENERAL ELECTRIC

WINDEX • THE DRACKETT COMPANY

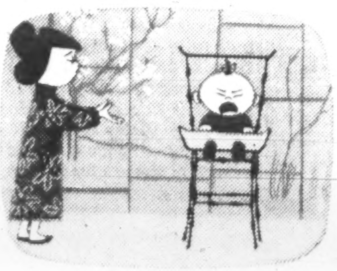


ROBIN HOOD OATS • ROBIN HOOD MILLS LTD.

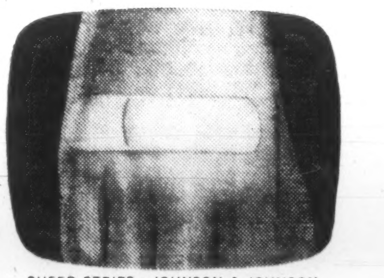
TANG • GENERAL FOODS



DRĀNO • THE DRACKETT COMPANY



JELL-O • GENERAL FOODS



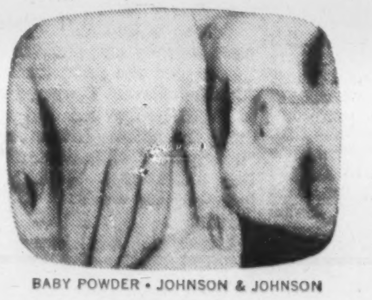
SHEER STRIPS • JOHNSON & JOHNSON

KAISER FOIL • KAISER ALUMINUM CORP.

KAISER INDUSTRIES CORP.

SIMONIZ • SIMONIZ COMPANY

STRIP—PATCH—SPOT • JOHNSON & JOHNSON (2 awards)



BABY POWDER • JOHNSON & JOHNSON

76 GASOLINE • UNION OIL COMPANY

MIXERS • GENERAL ELECTRIC

Canadian Tartans Intrigue Tourists

By ROY K. COOKE

YARMOUTH, N.S. — A Nova Scotia textile expert, Saul Gilis, is showing maritimers how to get a bigger share of the tourist dollar.

Scotian-Art-Weve of Yarmouth introduced two tartans last year that Gilis designed called the Ancient Atlantic and New England.

This spring Gilis brought out two more designs with distinctly Canadian motifs the Maple Leaf and Fleur-de-Lis overlaid on a bright attractive background.

In both designs the pattern makes a continuous line around the base of the skirt. Matching stoles and bags are also available.

The cloth is being manufactured into items for ladies and children and is selling well in the Maritimes and central Canada.

The wool cloth for tartans and other designs is manufactured in Western Canada. The mill is unable to keep up with demand.

Says Gilis:

"We need more Canadian designs in textiles to sell to tourists and the domestic trade."

He has changed the design of his own plaids to include a fleur-de-lis and maple leaf on alternate squares. It opened a whole new range and line of fabrics.

All designs are copyrighted in Ottawa.

Some of the garments are being exported to the U.S. where the tartan and plaid trend is gaining momentum.

U. S. buyers showed particular interest in tartan designs for children's wear.

Bluestone Manufacturing Co. of Montreal has licensed the Ancient Atlantic and New England tartans for a new line of men's sports shirts. A cotton material will be used, loomed in Europe.

Gilis arrived in Canada 10 years ago from Lithuania, with a wartime stop-over in Scotland.

He settled in Yarmouth and with a limited capital formed **Thistle Knit-Wear Ltd.,** to manufacture ladies' sweaters, skirts and ties (**FP**, Aug. 16, 1958).

Lines are sold all over Canada and exported to South Africa, British West Indies and South America.

There has been expansion in sales every year. Over 80% is outside the maritime area.

Gilis an expert in production is also a versatile designer and introduced many new patterns. His newest designs have had spectacular success, and he formed Scotian-Art-Weve Ltd., to handle sales and copyright.

REDUCED RAIL FARES for visitors to Toronto's Canadian National Exhibition (to Sept. 10) are available from **CNR** and **CPR.** Round trip tickets are calculated on a "one way plus a half" basis. Available at stations in all parts of Ontario east of and including Grant, Jellicoe, White River, Sault Ste. Marie, Windsor and Sarnia.

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Suites from $20

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50 Central Park South, New York Charles G. Taylor, President

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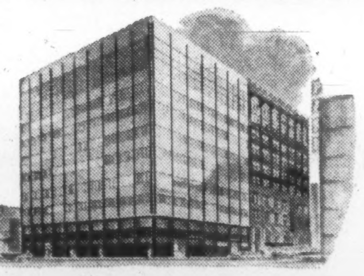

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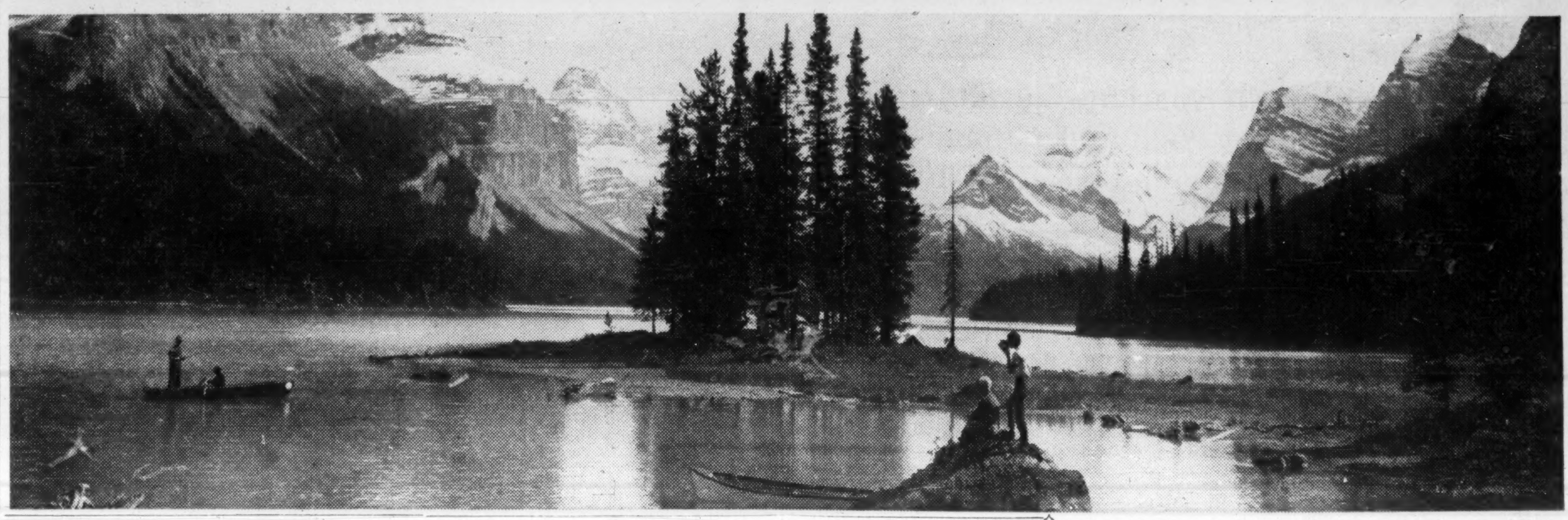
- Nine private function rooms
- Automatic Parkmaster just across the street

A Hotel of Distinction in the Modern Manner

THE NEW Air Conditioned Marlborough HOTEL

POST TRAVEL BUREAU

Where to go—how to go—where to stay



THIS PANORAMIC view of Alberta's Maligne Lake—reduction of a color transparency 60 ft. long by 18 ft. high — will be featured in *Kodak's* Colorama exhibit at New York's Grand Central Station Aug. 29 to Sept. 25. The huge transparency will be seen by the hundreds of thousands of people who pass through the station each day. *CNR* and the Canadian Government Travel Bureau co-operated with Kodak in producing this tourist publicity.

Hearty Welcome is Sure In Medieval Cotswolds

By BEATRICE RIDDELL

Add medieval flavor to your autumn U.K. visit, and spend a few days in the Cotswolds—50 sq. mi. of hills and rolling downs ("wolds"), sleepy hamlets and ancient market towns in the western midlands of England.

Oxford, less than 60 mi. by car from London, is the gateway. On the north, and easily accessible from any Cotswold town, is Stratford-on-Avon, where this year the Shakespeare theatre season continues to Nov. 26.

In appearance and atmosphere the area is unique. And its smaller towns have changed little since medieval times when Cotswold sheep made the town wealthy.

It is true that you don't see many of the sheep today. But the lovely old houses, garden walls and churches of honey-colored stone (from local quarries) still stand. The fast moving streams, the hedgerows, the hills and valleys have not been spoiled.

It is no mere museum. Farmers still make a good living here — even without the sheep. But the Cotswold way of life has changed little over the centuries.

Architecture is distinctive, and English design of later periods is influenced by Cotswold houses with their mullioned windows and stone tiled roofs.

Churches, simple but beautiful, were built largely through the generosity of wealthy wool staplers. The Perpendicular style of English architecture was born here. And inside, you will find some of the finest craftsmanship in the land. Take a look at some of the carvings—amusing and very "human" cartoons of medieval life.

You find churches in the most unexpected places. One very old one I saw on a recent Cotswold visit, was literally in the middle of a farmer's field. Only other sign of "public property" was a red post box built into the wall of one of the barns.

The Cotswolds have long catered to tourists — although in many of the hamlets you feel like the first "outsider" ever to stumble in on their peace. There are hotels and inns (many of them very old) in almost every town.

In summer, larger towns can be crowded. But in spring and fall you don't have to make reservations long in advance. Even at the most popular inns, a telephone call a few hours in advance will usually suffice.

I visited the Cotswolds in May, just before the tourists came en masse. From Oxford we drove through Whitney and the old market town of Burford to the village of Shipton-under-Wychwood. Here we stopped at the **Shaven Crown** — one of the oldest and most attractive inns in the Cotswolds.

No one really knows when this inn was built. But first known record of it is found in the Domesday Book. It was probably once a rest house for visitors to a neighboring abbey. But all the "modern comforts" have been added—even central heating.

We drove up to the cobbled square in front, walked under an ancient arch to a little flowered courtyard — and decided to stay.

In the small, oak-paneled bar, the "locals" were collecting for the daily "pint" and country chat. "If only it would rain," said one young farmhand spruced up in his Sunday best. And there was lively speculation on the judges choice at a local cattle show.

The dining room is low and quiet. And the fare, typical of inns of the district, features trout from nearby streams, local game, excellent beef and lamb, fine cheeses and superior cellar.

The main lounge, with high raftered ceiling has a big open fireplace around which guests sit and sip tea and after-dinner coffee. You make friends around the cosy fire — once you have weathered initial British reserve. And since many of the guests are Cotswold "addicts", you learn far more about the countryside than all the guide books can tell you.

Here are some of the Cotswold towns and villages we were urged to visit:

• **Broadway**, a favorite tourist centre for centuries has miraculously resisted "cheap commercialism". **There are dozens of lovely houses here, and some good inns. Most famous inn is** the 15th century **Lygnon Arms** — now one of the most de luxe hotels in England. You see plenty of chaufferred Rolls waiting outside.

From the top of Broadway Hill (about 1,000 ft.) you can see some 13 counties on a clear day.

• **Bourton-on-the-water** is so named because the river Windrush flows through the main street. A series of stone bridges cross the river.

The town is a bit "touristy", with souvenir stands etc., but the model Cotswold village in the grounds of the **Old New Inn** is certainly worth a visit. This tiny replica village, built to scale and one ninth "life" size, was lovingly executed by local craftsmen. An organ plays in the stone parish church, the water-wheel revolves at the far end of the village and apples grow on midget trees.

There's a miniature village within the miniature and another within that and so on down to "button" size.

This town was once a busy hive of witchcraft, and the witch museum is worth a brief look-in. Particularly interesting are evidences of modern practice. However most of it is now restricted to sticking pins in effigies.

• **Chipping Campden** boasts a magnificent market hall and lovely church with some of England's best preserved brasses.

• **Stow-on-the-Wold**, once a thriving market town, where 20,000 sheep were often sold in a single day, is now a peaceful little town where nothing much happens. But it is one of the most perfectly preserved of the old market towns. And it's the gateway to four of the loveliest Cotswold gems — Upper and Lower Slaughter, Upper and Lower Swell (collectively refered to as the "Slaughters and the Swells").

The name "Slaughter", incidentally, does not indicate violence in ancient times, but is thought to be a corruption of "de Sclotre" — name of a Norman landowner.

Lower Slaughter, with a stream meandering through the main street is perhaps the most picturesque of all Cotswold hamlets. Upper Slaughter boasts one of the area's finest manor houses.

• **Cirencester**, originally called Corinium, was the second largest centre in Roman Britain. (Only London was bigger.) There are many Roman remains. But the town, later an important wool centre, is also very much of the Cotswolds.

There are, of course, industrialized Cotswold towns and some where local influence no longer predominates.

• **Gloucester** now an important industrial centre has lost much of its Cotswold charm, but its cathedral is one of England's finest.

• **Cheltenham** has typical Cotswold architecture, but more famous are its Regency facades and crescents. The town, with "healthful waters," became one of the country's leading spas under the patronage of George III. There are fine shops, restaurants and hotels. And like most English spas, the gardens are magnificent. One acre in ten is public parkland.

There are "stately homes" to visit—Sudley Castle and Chastleton House are two of the most famous. Blenheim Palace, ancient seat of the Dukes of Marlborough, is nearby. It is not really "Cotswold", but as birth place of Winston Churchill it has become a national shrine and favorite sightseeing target for visitors in this area.

Best way to explore the Cotswolds is by car. In autumn, car hire rates are considerably lower than in July and August. Average weekly rate (unlimited mileage) for a four passenger Vauxhall Victor is $45 plus gas. But rates vary from company to company, from city to city. You can often make considerable saving by "shopping around" for the most advantageous rate.

You will find the "Overseas Visitor" stickers placed on front and rear windshields of all hired cars cause curious stares. But they also bring out the best in English courtesy and helpfulness.

You only need a few days to see the whole Cotswold area by car. But you will find it hard to leave.

In case you do decide to "settle down" here, local real estate agents offer some attractive bargains. I saw one small house for sale at about $4,000. It was charming from the outside, but as I didn't investigate, I can't vouch for plumbing or heating facilities.

But as a tourist, your Cotswold journey will cost very little for food and accommodation. At the Shaven Crown I paid $3.15 daily for bed and enormous breakfast (described as "hearty British" in accommodation directories). Weekly rate, including all meals, is $35. per person.

Lunch at most inns costs about $1.20, dinner seldom more than $3.

Travel Tips

MARTINIQUE, French island in the West Indies is to have a new hotel. The 84-room **La Bateliere**, near the island capital of Fort de France, is scheduled for completion in December.

* * *

1960 OLYMPICS, opening this week in Rome, will mean more accommodation for post-games visitors. To accommodate mobs of spectators (space has been completely sold out for months), many hotels have expanded, new ones built. One of the best of the new ones is the **Claridge**, built at a cost of $1.3 million in the city's fashionable Parioli district. Has 88 rooms, each with private bath, air conditioning and sun deck.

O'Keefe Centre Bookings Rise

Subscription list for Toronto's $12 million O'Keefe Centre, opening Oct. 1, has grown to 17,000.

This guarantees more than one third of the anticipated audience for each of the 10 subscription attractions in the 3,200-seat theatre's premiere season. Subscription list is the largest of any North American theatre.

Some 40% of bookings are from corporate subscribers, whose orders range from four to 26 seats for each attraction.

Curtain-raiser will be a four-week pre-Broadway run of the new Lerner and Loewe musical, Camelot, featuring Richard Burton, Julie Andrews and Robert Goulet (**FP**, June 11).

London Shop Mall May Set Trend

Webb & Knapp (Canada) Ltd.'s $11 million Wellington Square enclosed shopping mall was opened with a flurry in London, Ont. at mid-week.

Its backers, and many retail men, believe it could have some far reaching effects on both Canadian and U. S. shopping habits.

The important thing to remember, Webb & Knapp points out, is that Wellington Square was planned and built as a shopping mall.

Unlike Ottawa's Sparks St. experiment (**FP**, Aug. 6) and a number of similar U. S. projects which were all basically no more than closing off a street to motor traffic, Wellington Square is a new downtown shopping area designed to do a specific job.

Its supporters hope that it will start a new trend back to downtown shopping, a trend that will revitalize the often failing hearts of Canadian cities.

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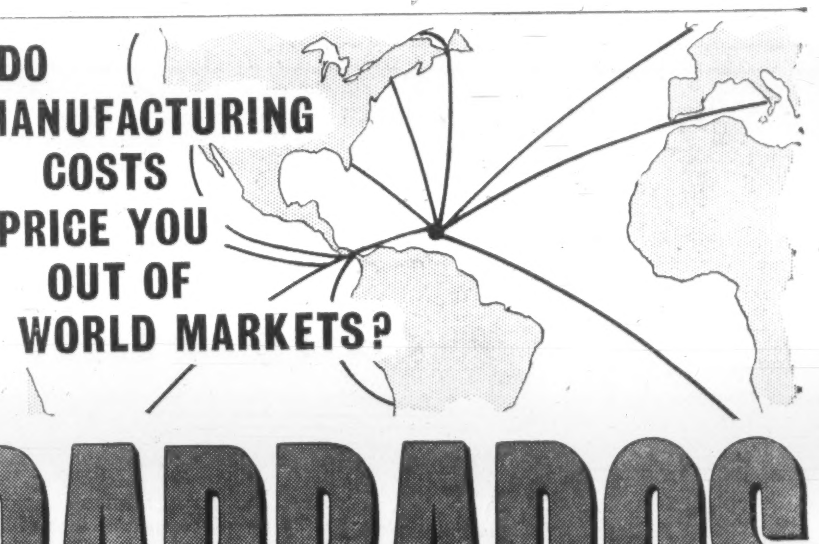
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ANNOUNCEMENT

NEW MONTREAL TRUST COMPANY DIRECTOR

GILBERT W. FITZHUGH

At a Meeting of the Directors of Montreal Trust Company held on August 9, 1960, Gilbert W. Fitzhugh, F.S.A., F.C.A.S., was elected a Director of the Company.

Mr. Fitzhugh is Vice-President and General Manager for Canada of the Metropolitan Life Insurance Company.

AIR HANDLING EQUIPMENT

An approximately $500,000 order for commercial air handling equipment for the Place Ville Marie, Montreal, has been awarded to the Sturtevant Division of **Canadian Westinghouse Co.**, of Hamilton.

European Roundup

Italy Increases Paper Production

By ERNEST WAENGLER

ITALY IS BECOMING a major producer of paper and cardboard. Total production last year was 1,260,000 tons, 15.3% more than the year before. By the end of 1960, production capacity is expected to reach 1,500,000 tons.

Last year, Italy imported $40 million in pulp, mostly from other European countries.

Only $1.5 million worth of pulp came from Canada.

Exports of paper and cardboard from Italy are also on the increase, 18% more in 1959 than in 1958. Newsprint exports went mostly to Yugoslavia, fine papers and cardboard to Switzerland, West Germany and India.

The Italian paper industry is bound to run into serious competition when the European Free Trade Area becomes fully effective, since EFTA members Sweden, Norway and Austria are strong exporters in this field.

Italy, a member of competing ECM, needs either strong protection from EFTA or lower production costs and better supply of raw material.

Canada could play a role in this development as a pulp supplier.

* * *

BY THE END of next year, France will have a steel capacity of 18 million tons. Between 1962 and 1965, it will be increased to 23 million tons.

The forecast was made in a recent report of the French steel industry on the basis of production increases in the first half of 1960.

Most of the production increase will be taken up by rising domestic demand. Last year, France imported 13% more steel than the year before.

* * *

THE FAVORITE gag among Dutch foreign traders these days is: "Holland is the most Seventh of the Six."

This is more than a joke. Holland is indeed more dependent on trade with the Outer Seven (EFTA) than any other member of the Inner Six (ECM) and could be more seriously hurt by a trade war between the two blocks.

However, ECM holds other dangers for the Netherlands as well. Not the least of them is the loss of preference within Benelux.

Eventually, all duties on trade between the six members will be abolished. But Holland can already export duty free to Benelux partners Belgium and Luxemburg.

Under ECM, West Germany, France and Italy will compete with the Netherlands on equal terms in these two markets.

At a recent conference of the Netherlands Exporters' Association, industrialists warned that EFTA is in many ways a more important market for Dutch goods than ECM and the future co-operation between the two blocks may well become the decisive factor for Holland's economy.

The exporters had grave doubts whether the weight of Canada and the U.S. in the newly emerging Organization för Economic Co-operation and Development will be sufficient to prevent discrimination between the Common Market, EFTA and the rest of the world.

Canadian-Dutch trade has shown an encouraging increase this year. Canadian exports to the Netherlands are up 13%, imports from the Netherlands 23%.

* * *

FOR THE TIME BEING, the Soviet trade offensive may be slowed down by poor results in agriculture.

Bad weather and organization difficulties caused by recent collectivizations are given as reasons in most instances. Lack of storage facilities and breakdown of equipment are others.

- **In Bulgaria**, the government has appealed to farm workers to forget about an 8-hr. day this summer and fall.
- **In Romania**, newspapers are criticising farmers for taking holidays while city people are brought to the collective farms to help out.
- **The Hungarian** press attacks "irresponsible elements" among farm workers who think they no longer need to work because machines can now do the work for them.
- **In Czechoslovakia**, labor unions and youth organizations have been mobilized to help with the harvest.

To Canada this trend is important insofar as Russia and the satellites have threatened to cut into our European export markets before long.

* * *

ACCORDING to a report by the Economic Commission for Europe, issued in Geneva earlier this month, inflation is no longer a serious threat to the economies of Western Europe.

The production increase in the first quarter of this year was 12%, twice as much as last year, the report says. The Soviet bloc showed a production increase of 11%.

The commission does not believe that further increases will necessarily be blocked by labor shortages, since there are still labor reserves in some countries while the others are now in a financial position to increase productivity through a greater rate of investment.

NEW RENAULT TRUCKS

Renault of Canada Ltd. has announced a line of Estafette one-ton panel and pick-up trucks, and an eight-passenger bus. Engine develops 32 hp. Company has 225 dealers in Canada.

ANNOUNCEMENT

GORDON FARRELL

WILLIAM F. FOSTER

At a recent meeting of the Board of Directors of Ocean Cement & Supplies Ltd., Mr. Gordon Farrell was elected Chairman of the Board and Mr. William F. Foster was elected President. Mr. Farrell and Mr. Foster were also elected to these positions in the subsidiary companies including British Columbia Cement Company Limited, Evans, Coleman & Gilley Brothers Limited and Evans, Coleman & Evans Limited.

The Directors of Ocean Cement & Supplies are B. Franklin Cox, Gordon Farrell, Harold S. Foley, William F. Foster, The Right Honourable Clarence D. Howe, R. Ian Ross and Col. The Honourable Clarence Wallace.

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Canada Wire Net Up 62%, Sales Affected by Imports

Consolidated net profit of **Canada Wire & Cable Co.**, Toronto, for six months ended June 30, 1960, was $295,000, an increase of 62% over $182,000 in first half last year.

Earnings were equal to 27c per class B share (17c last year).

While earnings show an encouraging percentage increase over 1959's like period, the actual amount is still an inadequate return on capital invested, president O. W. Titus states.

Volume in the first half was also up over a year ago.

Increasing flood of manufactured goods coming into Canada affects adversely an important part of sales, notably magnet wire going to appliance, apparatus and automotive manufacturers.

"However," Mr. Titus says, "it is at least encouraging that our government appears to be showing an awareness of this effect on Canadian employment."

Earlier this year company acquired **Western Wire & Cable Co.**, with plants in New Brunswick, Saskatchewan, Alberta and British Columbia (**FP**, May 28).

While this acquisition places a substantial demand on financial resources at this time, there are prospects of considerable electrical utility expansion in these provinces, Mr. Titus says.

Company's cost reduction program has already substantially reduced the loss on its Leaside plant operations.

Subsidiary **Telecables & Wires Ltd.**, after difficult initial years, is reported to be securing an increasing share of the market for its products.

CNR Starts Tests At Moncton Yards

From Our Own Correspondent

SAINT JOHN—Operating tests have started at the **Canadian National Railways** $15 million automatic freight classification yard near Moncton. Formal opening is scheduled for October.

The automated yard is the first of four in Canada to be finished.

It covers an 850-acre site and contains 40 classification tracks. Construction started in January, 1958.

There are 72 mi. of track in the yard with car sorting handled by electronic computers.

Eastern Bakeries Expands Plants

MONTREAL (Staff)—Improvements to facilities in Nova Scotia and New Brunswick will enable **Eastern Bakeries Ltd.** to "maintain its lead in a very competitive market".

At company's annual meeting, president G. G. Anglin told shareholders these projects were completed in year ended June 30:

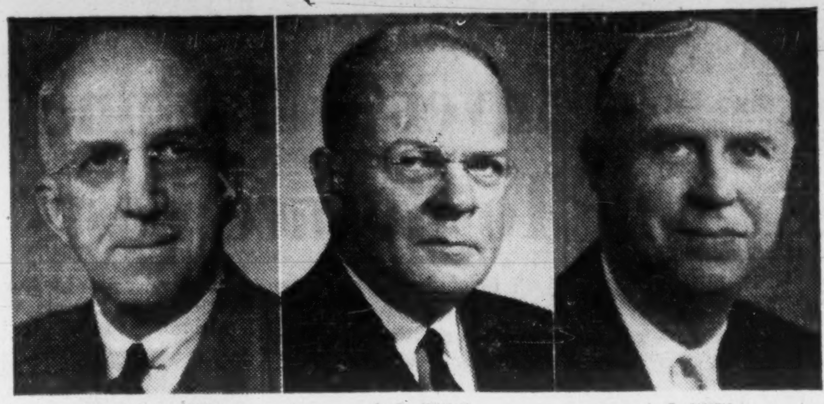
A new load shed at Sydney; a new cake wing with greatly increased capacity at Saint John; an overhead bread cooling system in the Moncton plant.

A new fireproof sales depot at Fredericton is about 50% completed.

Company is controlled by **Maple Leaf Milling Co.**

ANNOUNCEMENT

IMPERIAL LIFE ANNOUNCEMENTS



W. F. LANGFORD F. G. SHURLY J. C. SMITH

William F. Langford, Secretary of The Imperial Life Assurance Company of Canada and a member of the home office staff of the Company since 1922, is retiring on pension August 31st. Two senior official appointments are also announced. Flint G. Shurly, formerly Associate Secretary, is being named Secretary. John C. Smith, Comptroller, becomes a senior officer of the Company.

Mapping Canada Still a Big Job

They're still at the formidable job of mapping Canada's mass.

And still likely to be at it for some time are geographers from the federal Department of Mines and Technical Surveys which has 20 field parties fanned out this summer.

By canoe, foot, aircraft or ice-breaker, the teams are poking into fruit valleys, Arctic beaches, urban counties and Prairie flats.

Co-operating with provincial and regional agencies, the geographers are piling up more data on the direction and design of the country's soil deposits, mineral formations, population shifts, land uses, shore lines and water resources.

One major benefit of all the work: Land-use and terrain maps which, used in conjunction with topographical and geological maps, present a three-dimensional picture of an area.

Crescent Builds Cheese Factories

From Our Own Correspondent

SASKATOON — Two new cheese factories will be located in Saskatchewan — one in Melville, the other in Humboldt.

Crescent Dairies Ltd. will operate the plants.

The Melville factory will be started first. It is expected to have a staff of 25 or 30 people and will turn out cheddar cheese.

Yearly estimated output: 1 million lb.

Crescent Dairies has a cheddar cheese plant at Waldheim, Sask.

Stretch your vacation!

HERTZ added an extra week to our vacation!

It's hard to believe that only yesterday I was in a conference, Betty was in the kitchen. Yet here we are only 24 hours later and 1500 miles away — relaxed and right in the middle of fun — and with a beautiful '60 Chevrolet. We left our own car at home because air travel saved us a week of highway driving — a whole extra week to spend visiting places we've wanted to see all our lives. And thanks to Hertz we've all the convenience of a car of our own for our vacation.

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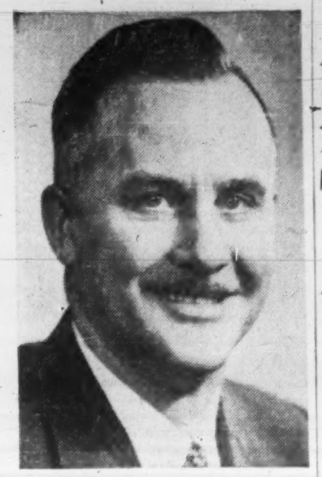


C. R. HUGHES

Carman R. Hughes has been elected a Vice President of General Telephone & Electronics International Incorporated, international manufacturing, marketing, and engineering subsidiary of General Telephone & Electronics Corporation, it was announced today by Gene K. Beare, President of GT&E International.

In his new post, Mr. Hughes is responsible for coordinating all manufacturing, sales, and engineering activities in Canada, involving subsidiaries and associated companies. In addition to serving as a Vice President of GT&E International, he will continue to serve as President of Automatic Electric (Canada) Limited, Automatic Electric Sales (Canada) Limited, and Canadian (B.C.) Telephones and Supplies Ltd. His headquarters are at 100 Strowger Boulevard, Brockville, Ontario, Canada.

A citizen of Canada, Mr. Hughes was born in Oshawa, Ontario. He was graduated from that city's Collegiate College and Vocational Institute, and subsequently attended the Radio College of Canada.

Following service with Northern Electric Company in Canada, Mr. Hughes joined Automatic Electric Sales (Canada) Limited in Toronto in 1941, and was appointed Manager of the Telephone Sales Division in 1950. He was elected Vice President of that company in 1953, and later the same year was elected President of the organization as well as President of its manufacturing affiliate, Automatic Electric (Canada) Limited. He was elected to the additional post of President of Canadian (B.C.) Telephones and Supplies Ltd. in January, 1959.

During World War II, Mr. Hughes served in the R.C.A.F. as a Flight Lieutenant.

GT&E International, together with Automatic Electric International, produces a wide range of products in the communications, electronics, and electrical fields, with subsidiary manufacturing facilities in Canada, Italy, Belgium, Argentina, Brazil, and Mexico. Associated manufacturing companies are located in Great Britain, Italy, Japan, and Mexico. More than 80 international sales offices, agents, and distributors for Automatic Electric and Lenkurt products are located in 68 countries and territories throughout the world. A total of 125 Sylvania International sales offices, agents, and distributors are located in 77 countries and territories.

In addition to manufacturing, marketing, and engineering operations outside the United States, GT&E International, together with Automatic Electric International, has responsibility for the marketing abroad of products made in the U. S. by all of the GT&E domestic manufacturing subsidiaries. In addition to Automatic Electric, Sylvania, and Lenkurt, these subsidiaries include Leich Electric Company and Electronic Secretary Industries, Inc.

NEW STANDARD

Twelve representatives of firms manufacturing sheet metal ducts met recently to discuss a suitable industry standard for sheet metal ducts and fittings. A technical sub-committee will now prepare a draft of the proposed recommended industry standard which, when accepted, will be published by National Warm Air Heating and Air Conditioning Association of Canada.

Village Printer Invents Machine To Reduce Costs

A revolutionary printing method, developed by a Canadian printer, cuts time and labor costs on books, calendar pads, diaries and other printed material that must be bound in sequence.

Especially adaptable to paperbacks, it can turn them out at the rate of 20 per minute with one pressman and two helpers.

By FORBES GILB RTSON

A quiet, friendly Canadian printer in the village of McKellar, Ont. (pop. 130), confidently expects to revolutionize the book printing industry.

William Stroud, 51, **Bridgeman Press Ltd.**, McKellar, Ont., has developed a unique method of producing printed articles that have a multiplicity of pages in sequence to print and collate — books, calendar memo pads, appointment books, diaries, etc.

He has patents or patents pending in 13 countries, recently patented his invention in the U.S.

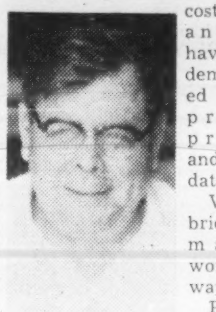
Essence of the machine's principle is use of rubber printing plates for a complete book mounted in correct sequence on an endless chain.

Paper, which is web-fed from a roll, is cut and printed on one side and then inverted by "work-and-turn" and printed on the reverse face.

Result: Two books are produced at one time from one set of plates.

A prototype has been in operation for the past year on commercial printing work while various features were improved.

Right now, it's going full-time printing a major order of 320-sheet calendar pads for **Warwick Bros. & Rutter**, Toronto.



STROUD

According to Stroud, labor cost savings anticipated have been demonstrated on the products produced and sold to date.

Very briefly, the machine works this way:

Printing and bindery operations have been telescoped into one machine and some of the conventional operations eliminated.

This has been achieved, not by putting several conventional machines in line, but by introducing a new principle developed by Stroud, plus various other technical innovations. It means large economy of capital, labor and overhead costs, says the inventor.

Roll of paper is put in at one end of machine and the completely printed, perforated and collated book comes off the delivery belt at the other end.

Staff: one pressman and two girls.

Machine is said to be ideal for printing books of the paper-back kind. Sewn signature type of binding could be achieved, but requires a special attachment at the delivery end.

The machine will run at 600 feet. min., producing 20 average size pocket editions per minute.

In final development stage is a covering attachment which will put on paper covers without adding to labor costs.

With the attachment, machine will turn out 1,200 complete books an hour, using only the one pressman and two girls.

Idea for the machine had been in Stroud's head for four years, but he had neither the time nor the financing necessary to develop and build it.

About a year ago, he talked it over with his sister, Mrs. W. Bridgeman, and his brother Ed, vice-president, **Chromo Lithographing Co.**, Toronto.

Ed, a one-time toolmaker before becoming a printer, pronounced the machine practical and the three pooled their resources and Bill Stroud started work.

His health failing, Bill Stroud sold out his printing business, Chromo Lithographing, to brother Ed and a group of employees and moved to the pleasant little village of McKellar.

He built a mock-up of the machine in his basement to prove the principle.

He suffered innumerable disappointments, frustrations and setbacks before it was finished and proved sound. Then he had to form a company to raise the money to build the prototype.

His immediate objective: Complete finishing touches on the machine and start marketing.

The word "impossible" just isn't in Bill Stroud's vocabulary, and forging ahead in the face of difficulties is nothing new to him.

As a young man, he was seriously and permanently handicapped physically.

Despite this, he made printing a full-time career and managed to set up his own printing business.

"His enthusiasm and sincerity were always inspiring," a former co-worker told **FP**.

"He's the sort of fellow who was always on time in the worst winter blizzard and the most active fellow in the shop in spite of the fact that he has to use two canes to get around."

A pleasant, articulate fellow, Bill Stroud was a living inspiration to people who knew him when he worked in Toronto, a quietly outgoing personality who leads a determinedly full life.

It's this dogged determination and optimism, plus shrewd knowledge of the printer's art, that gives Stroud the quiet confidence that his new machine is going to make a big impact in the printing industry.

GMAC Canada Net Down 9%

Net profit of **General Motors Acceptance Corp. of Canada** amounted to $1,368,854 in six months ended June 30, 1960, 9.4% lower than $1,511,541 in like 1959 period.

Operating income rose 9.6%, but operating expenses and interest and discount charges showed a 22.5% gain over last year.

Receivables outstanding at June 30, 1960, totaled $334.2 million, up from $313.7 million a year earlier.

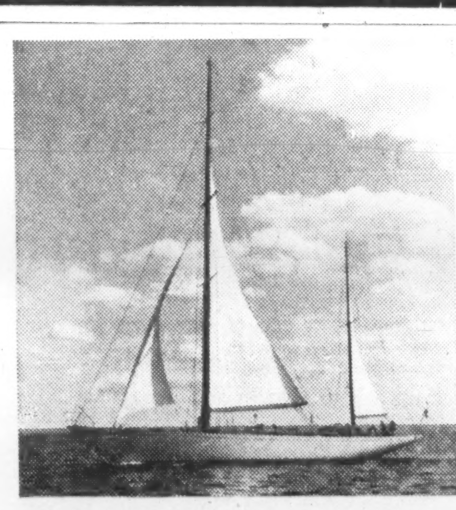
6 mos. ended June 30:	1960 $	1959 $
Oper. income:		
Retail	10,218,586	9,640,174
Wholesale	2,963,678	2,385,913
Other income	616,197	....
Less: oper. exp.	11,096,598	9,058,007
Int. & disc.	7,330,887	5,484,070
Inc. taxes	1,333,009	1,456,539
Net profit	1,368,854	1,511,541

WINS HYDRO CONTRACT

From Our Own Correspondent

SASKATOON—**Perini (Quebec) Ltd.** has been awarded a $10 million contract at the site of the Saskatchewan Power Corp. hydro development at Squaw Rapids. Perini will build the power station and penstocks.

TANKOOS YARMON
LIMITED
Realty Investments



OCEAN CRUISER FOR SALE

78' x 52' x 16' x 9' AUXILIARY KETCH
CANADIAN REGISTRY

Composite Construction. General Motors Diesel. Sleeps 6-8 in owner's party plus 2 crew. Long list of extras including radiophone, radio direction finder, electric refrigeration, Bendix automatic pilot, Nife batteries, central hot water heating. Built to high specifications by European craftsmen. Crossed Atlantic Ocean on maiden voyage 1953.

For additional information contact

JOHN WALKER
METRO MARINE LIMITED
Triller St. (Bronte), Oakville, Ontario

Compton's Portfolio
A Managed Investment Account

Invested in 1944 .... $10,000
Account latest valuation $36,231

Market Rally Ahead?

Possibility of an earlier-than-expected recovery in the stock market is seen by Compton's manager.

Reasons behind this feeling are the tendency in Canada toward easier money and the experience of investors in the three previous post-war business recessions.

During the month ended Aug. 15, the value of Compton's account rose 1.7% to $36,231, sparked by gains in **Alberta Gas Trunk Line Co.** and **Philips Lamps.**

Here is the manager's report:

The investment picture still represents a conflict between generally declining new orders for industry on the one hand, and a marked easing of money on the other.

In the U. S., the Federal Reserve Board has lowered margin requirements on stocks, has moderately reduced the cash requirements of member banks, and has lowered the rediscount rate. There has also been a clear tendency in Canada toward easier money.

In the circumstances, some of the additional funds, not being needed in industry, are finding their way into the bond and stock markets.

From each of the three post-war business recessions, common stocks have emerged more highly regarded — successively more highly valued in relation to their earnings.

It is possible that this experience will encourage investors to discount the ending of the present recession before it has even seen its low, and before it is known whether this particular decline in business may be more serious than its predecessors.

In this environment, Compton's account appears to be suitably invested. About 20% is in high-grade bonds which can be treated as short term or long term as circumstances dictate. Almost 30% of the account is invested in utilities, and 11% in foods and beverages.

The total account is, therefore, not unduly exposed to adverse business conditions, but is sufficiently aggressive to benefit from any rally in the general market which might take place.

Between July 15 and Aug. 15 the Toronto Stock Exchange index of industrials advanced 0.6%. The total value of Compton's account, including $118.75 of dividend income, advanced by $597.48, or 1.7%, to a total of $36,230.88.

His prospective annual income is $1,377.78, representing a yield of 3.8% on the current market value, and 13.78% on his original $10,000. The bank balance available for investment is $766.93.

The net improvement in capital values was mainly due to the performance of Alberta Gas Trunk Line common shares, of which an additional purchase was previously reported (**FP**, July 30) and Philips Lamps, (**FP**, June 25).

Since the valuation date of Aug. 15, Alberta Gas Trunk Line has continued to improve, based on the announcement that the California Public Utilities Commission has given the necessary approval to clear the way for Alberta natural gas to serve the California market.

The next events of importance to this company will be its major financing and its construction programs in 1961.

Here is Compton's portfolio at Aug. 15:

	Cost — Per Share — $	Market $
BONDS		
$5,000 Government of Canada 5½%, October 1, 1962	99.50	103.65
$2,000 Government of Canada, 5½%, April 1, 1963	99.75	103.75
COMMON STOCKS		
100 Abitibi Power & Paper	18.99	39.25
100 Alberta Gas Trunk L. A	20.75	21.50
50 Bell Telephone	40.37	45.875
100 B. C. Power	38.37	33.625
100 Calgary Power	21.625	22.50
60 Canadian Breweries	33.52	38.00
125 C. P. R.	32.99	24.25
50 R. L. Crain	18.75	17.75
50 International Nickel	34.20	53.50
10 Philips Lamps	161.00	173.50
50 Price Brothers	43.50	39.25
50 George Weston B	34.50	34.25

	Book value	Market value Aug. 15	Prospective annual income
Bonds	$ 6,970.	$ 7,258.	$ 385.
Common stocks	26,309.	28,206.	993.
Cash	767.	767.	....
	$34,046.	$36,231.	$1,378.

Current market value of fund	$36,230.88
Prospective annual income	$ 1,377.78
Average yield on original $10,000	13.78%
Average yield on current mkt. value	3.80%

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Utility Market Glows in B.W.I.

Power and communications growth in the British West Indies is generating demand for utility equipment.

Canada stands to gain, but only by beating U. S. competition, according to a Canadian exporter.

Already tapping this new market: **Smith Bros.**, a leading firm in manufacture of custom utility bodies.

The company's "Polecat" unit, made by **Smith Bros. Motor Bodies Ltd.** in Toronto, will be used in the West Indies for utility construction and installation programs.

It lifts and transports telephone and telegraph poles, digs holes and an accessory aerial bucket can be used for overhead electrical distribution line work.

Growing industrialization in the Indies has led to the expansion of utility networks.

Smith Bros. says it is "meeting this demand in the face of stiff U. S. competition."

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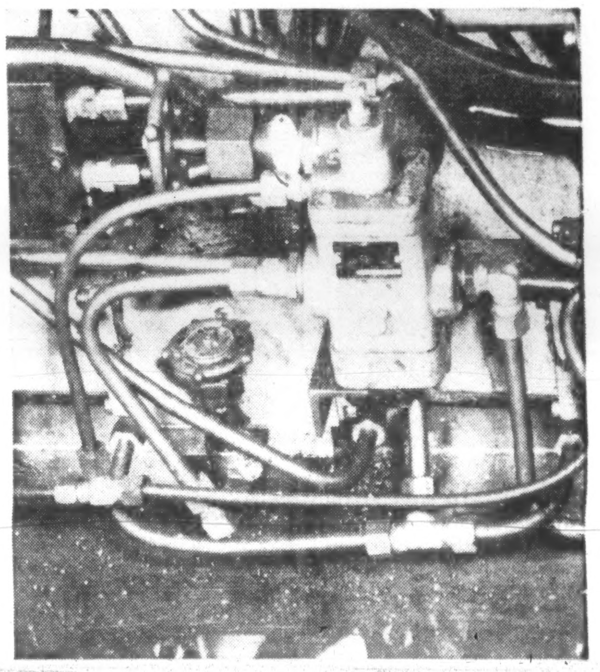

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How We Stand on Trans-Canada

TO JUNE 30, 1960

	Nfld.	P.E.I.	N.S.	N.B.	Ont.	Que.	Man.	Sask.	Alta.	B.C.	National* Parks	Total
Estimated total mileage	540	71	318	390	1,453	413	309	406	282	568	140	4,890
Grading												
Mileage approved for contract ..	375	71	119	197	958	...	250	406	281	530	140	3,327
Equivalent mileage completed ..	289	71	119	185	905	...	245	406	281	492	132	3,125
Paving												
Mileage approved for contract ..	156	71	80	190	780	...	297	406	281	413	80	2,754
Equivalent mileage completed ..	66	71	57	137	681	...	297	406	279	372	80	2,446
Structures												
Number approved for construction	43	5	28	38	128	...	38	15	38	91	39	463
Number completed	36	4	26	21	101	...	36	15	37	71	31	378

*Yoho, Glacier, Banff, Revelstoke, Terra Nova.

Cross Canada (Almost) On Real Paved Highway

With the completion in September of a section of Trans-Canada Highway across the top of Lake Superior there will be paved road of one kind or another almost entirely across mainland Canada.

But Quebec is only beginning to negotiate with Ottawa to participate in the plan and the cross-country route probably won't be completed to "full standard" even by the Dec. 31, 1963 deadline.

OTTAWA (Staff) — By freeze-up this fall, it should be possible to drive all across mainland Canada — from North Sydney, N.S., to Vancouver — on paved highway, except for a stretch through the Rockies in British Columbia.

But this is not to say the long-awaited, often-postponed completion of the trans-Canada highway is nearly upon us.

Fact is, it probably won't be completed up to "full standard" even by the time the latest deadline extension runs out — on Dec. 31, 1963.

Reasons include:

- **Quebec is only now negotiating with Ottawa** to participate and probably won't be able to complete its section — which may include a couple of major bridges — by deadline.
- **In Newfoundland much of the road probably will still be only graded gravel** when time runs out because there aren't enough people along it to encourage more provincial expenditure right now.

But with the completion of a section through Ontario across the top of Lake Superior to the Lakehead, due sometime in September, there will be paved road of one kind or another almost entirely across mainland Canada.

Technically speaking, the highway between the Lakehead to the Manitoba border is not fully paved.

But highway officials say many a driver would not know without being told that its surface has only been "primed" with oil so far.

Then there's a section from Donald, B.C., near the Alberta border, to Revelstoke, B.C., that's still being blasted through the Rockies.

Trans-Canada drivers must detour around this section over the gravel-surfaced Big Bend Highway.

There are other exceptions where short sections may be in process of being rebuilt, repaired or in the final finishing-touch stage — a highway's life expectancy being so unpredictable in this country.

However, even in Quebec, paved roads already exist along the route and it's largely a case of improving them to trans-Canada highway standards or, under the federal-provincial cost-sharing agreements, of building two new lanes alongside existing pavement.

This might well be done along some stretches of the 400-odd miles of trans-Canada highway expected eventually to be approved through Quebec.

Most likely route through Quebec:

From the point where the highway ends on the Ontario-Quebec border through Montreal to Quebec City; east along the south shore of the St. Lawrence River to a point opposite the New Brunswick terminus, at Edmundston; thence south to Edmundston.

It's impossible to estimate accurately how much federal money Quebec will get until all the contracts are finally let.

But it could easily run over $50 million, on the basis of what other provinces have so far received.

The future of federal government highway building, once the trans-Canada is finished, is filled with ifs.

Largest:

If the Conservative government is still in office.

Works Minister Walker made it clear during the last session of Parliament that the government wants to see this highway finished before it offers any new deals.

FP is told this still stands. And it is hinted that if this government does offer something new once the highway is completed, it might be more along the line of roads-to-resources program than any plan for a second trans-Canada.

When Parliament at the last session approved the latest completion deadline extension and boosted the federal share to maximum $400 million, Walker told the Commons:

"With all the work still to be done on the first trans-Canada highway, let us put our house in order and complete it first.

"Our consideration then will not necessarily cover only a second trans-Canada highway. We will consider a national highway policy when the time comes, something that will encompass more than just another highway."

When the Trans-Canada Highway Act first became effective on Dec. 10, 1949, it aimed at a completion deadline of Dec. 9, 1956 — and envisaged a federal share in the 5,000-odd mile 50-50 project of $150 million.

In 1956, when the highway was still well short of half finished, the government amended the act to give provinces more incentive and extended the deadline to Dec. 31, 1960.

It offered to pay up to 90% of the cost of any 10% a province chose from its share of the route. This was meant as a chance for provinces to pick the toughest section and let Ottawa pay most of the shot for it.

The total federal share was boosted to $250 million, then in 1959 to $350 million.

But why is the highway still uncompleted?

Where paved roads along the route already existed, even though below standard, provinces often preferred to devote their highway resources to other projects of more immediate need to their people.

Also, there was far more incentive in Ontario, for example, to build new highways in its south-central area than through the wilderness above Lake Superior, or even through the sparsely populated area between the Lakehead and Manitoba.

It was primarily to encourage construction over these remote sections of a trans-Canada highway that the 90% federal contribution was offered.

Up to July 23 work valued at a total of $580.2 million had been approved. Federal share: $347 million.

Work approved by provinces to July 23 (in millions of dollars):

Newfoundland, 42; Prince Edward Island, 9.1; Nova Scotia, 22.6; New Brunswick, 51.8; Quebec, nil; Ontario, 186.8; Manitoba, 33.5; Saskatchewan, 27.8; Alberta, 37; British Columbia, 169.4.

Bard Draws a Record Throng To Stratford Drama Festival

Box office revenues at the Stratford (Ont.) Festival should reach a record $835,000 this year.

That's the happy prediction of Administrative Director Vic Polley.

The estimate includes not only ticket sales for the three Shakespearean dramas, but also the musical offerings and the film festival which opened Monday.

Best previous financial results were in the Festival's sixth season, 1958, when total revenues were just over $650,000.

Two thirds of the way through the 12-week season (ending Sept. 17), revenues had reached $763,967. This is 42% higher than the total for the first eight weeks of last year's season.

For the season to date, drama performances have been sold to about 90% of capacity. Latest week's average was 97%. Nearly all week-end performances are completely sold out.

Biggest demand is for tickets to Romeo and Juliet, which stars Julie Harris and Bruno Gerussi. A Midsummer Night's Dream and King John are next favorites.

So far, 132,296 people have seen the plays. Total attendance for the season is expected to reach 205,000.

In 1961, the season will be extended to an unprecedented 14 weeks — June 19 to Sept. 23.

The Shakespearean plays to be produced are Coriolanus and Love's Labour's Lost, both directed by Michael Langham and designed by Tanya Moiseiwitsch, and Henry VIII, with direction by George McCowan and decor by Brian Jackson.

A new Canadian drama, To the Canvas Barricade, by Donald Jack of Oakville, Ont., will be included in the Festival Theatre's repertoire over a period of four weeks.

FIRES SET RECORD

From Our Own Correspondent

WINNIPEG — In the first two weeks of a warm and abnormally dry July a record number of fires flared up in northern Manitoba—137 between July 2 and 13. Most of them were caused by lightning.

TRANS MOUNTAIN OIL

Trans Mountain Oil Pipe Line Co. reports total deliveries of crude oil for July averaged 91,269 b/d compared with 113,687 b/d during same period 1959. Scheduled deliveries through system for August are expected to average 70,000 b/d.

Aluminum-Makers in U.S. Seek Help of Government

From Our Own Correspondent

WASHINGTON—U. S. aluminum-makers are making a two-pronged pitch to reduce imports into the U. S. and increase exports.

Aluminum industry officials have been conferring with the U. S. Commerce Department on ways to stimulate exports.

The Commerce Department supports most, but not all, of the industry suggestions.

At the forthcoming Geneva GATT tariff-cutting conference, the U. S. aluminum companies got assurance that the U. S. would not reduce its aluminum tariffs but would push hard for a reduction of aluminum tariffs in other countries.

Canadian officials have been unhappy over the U. S. decision to keep aluminum off the list of items on which it would be willing to negotiate for tariff cuts.

The action has been surprising since there has been little recent protectionist pressure from domestic industry.

That pressure, however, now has been felt in Washington.

One U. S. industry official suggested that the government try to work out voluntary export quotas with foreign suppliers, mainly Canada, so the U. S. companies would know exactly how much competition they would face in the domestic market.

This suggestion did not elicit any immediate support from Commerce Department officials.

Domestic industry spokesman told the department that this kind of government help is necessary because of the rapid rise of strong aluminum industries in other countries.

"The GATT negotiations must be broadened to include more than tariffs and trade controls," the spokesman said at a meeting with department officials.

"Recognition must be given to the fact the U. S. aluminum industry must compete in foreign markets with aluminum industries which in some instances are government-owned or controlled.

"In other countries, the industries have the benefit of special financing or tax incentives which are not available to U. S. firms."

The U. S. producers also expressed concern about their price being above most other countries.

Official said 54 out of 65 foreign prices for semi-fabricated aluminum products were below the U. S. price.

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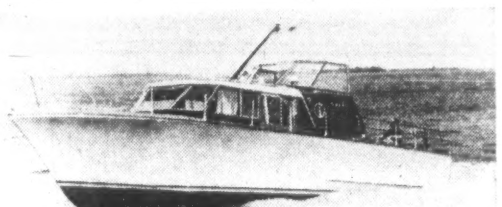

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June Works Jobs Hit $12.2 Million

Contracts totaling $12.2 million were awarded by the Federal Department of Public works during June.

Amount for new works in building construction and harbors and rivers engineering was $6.1 million; for repairs and maintenance of existing structures, $955,143; for construction of the Trans-Canada Highway and other roads in national parks, $4.1 million; and for dredging, $1.1 million.

Among the major projects for which contracts were awarded during June:

Newfoundland

Long Pond (Manuels) — replacement of breakwater—**Gulf Maritime Construction Ltd.**, Matane, Que. .... $82,912.

Terra Nova National Park — bituminous stabilized base course from mi. 0 to mi. 10 on the Trans-Canada Highway — **McNamara Construction of Newfoundland Ltd.**, St. John's, Nfld. .... $965,590.

Terra Nova National Park — base course, bituminous base course and guide fence from mi. 10 to mi. 25 on the Trans-Canada Highway — **McNamara Construction of Newfoundland Ltd.**, St. John's, Nfld. .... $1,099,400.

Prince Edward Island

Charlottetown — installation of over-fire jets in boilers at the federal building — H. Avard Loomer Co., Saint John, N.B. .... $12,680.

Fishing Cove — construction of breakwater — **Norman N. MacLean**, Murray River, P.E.I. .... $57,920.

Wood Islands — repairs and improvements to harbor—**Eastern Enterprises Ltd.**, Quebec, Que. .... $479,048.

Nova Scotia

Bedford Basin — construction of jetty (Part B) — **T. C. Gorman (N.S.) Ltd.**, Halifax .... $1,087,777.

Caribou — repairs and improvements to harbor — **Dominion Construction (1955) Ltd.**, Fredericton, N.B. $179,813.

Port Hood — construction of breakwater — **Chisholm Construction Co.**, Antigonish, N.S. .... $342,000.

New Brunswick

Wilson's Beach — improvements to breakwater-wharf — **J. W. McMulkin & Sons Ltd.**, Fredericton, N.B. ..... $106,339.

Quebec

Hudson — post office building — **S. R. Wilson**, Hudson Heights, Que. .... $24,868.

Hudson Heights — post office building — **S. R. Wilson**, Hudson Heights, Que. ... $19,485.

Montreal — installation of postal counter and fittings and alterations to Place d'Armes postal station — **E. G. M. Cape & Co. (1956)**, Montreal $78,000.

Quebec — postal terminal — **E. G. M. Cape & Co. (1956)**, Montreal .... $3,059,092.

St. Jean (I.O.) — retaining wall — **Les Entreprises Cap Diament Ltée**, Sainte-Foy, Que. .... $50,000.

St. Laurent (I.O.) — retaining wall — **Les Travaux St. Laurent Enrg.**, St. Laurent (I.O.), Que. .... $56,175.

St. Pascal Kamouraska — addition and alterations to federal building — **Leon Laplante**, St. Pascal de Kamouraska, Que. .... $14,995.

Ontario

Johnstown — storage and transfer shed — **Fort Construction & Equipment Ltd.**, Prescott, Ont. .... $58,410.

Ottawa — improvements to RCMP headquarters building on Tremblay Road — **Goldstein Bros. Ltd.**, Ottawa .. $11,900.

Toronto — postal station "F" — **Wilkinson Construction Ltd.**, Scarborough, Ont. .. $417,000.

Wikwemikong — two 3-bedroom staff units at Manitoulin Island agency for Department of Citizenship and Immigration — **Wm. J. Ferguson**, Mindemoya, Ont. .... $30,446.

Manitoba

Winnipeg — alterations to general post office building for additional basement storage — **Kraft Construction Co.**, Winnipeg .... $28,639.

Saskatchewan

Indian Head — federal building — **Buildcon Ltd.**, Regina .... $51,936.

Alberta

Banff National Park — bituminous stabilized base course from mi. 49 to mi. 68 on Banff-Jasper Highway — **Blaine Construction Ltd.**, Don Mills, Ont. .... $363,900.

Banff National Park — bituminous concrete pavement from mi. 0 to mi. 14 on the Trans-Canada Highway — **W. C. Wells Construction Ltd.**, Saskatoon .... $340,544.

Gleichen (Old Sun) — construction of 3-bedroom staff unit at Blackfoot Indian agency for Department of Citizenship and Immigration — Messrs. **Goodrich and Treiber**, Bassano, Alta. .... $14,235.

Cold Lake — construction of 3-bedroom staff unit at Saddle Lake agency for Department of Citizenship and Immigration — **Robert Holzer**, Edmonton .... $16,250.

Nanton — post office building — **Bird Construction Ltd.**, Calgary, Alta. .... $29,334.

Whitecourt—post office building — **Thomas Koziak**, Edmonton .... $21,989.

British Columbia

Ahousat—construction of one additional classroom and one staff unit at Indian day school for Department of Citizenship and Immigration — **Quinney & Fuller Construction Ltd.**, Nanaimo, B.C. .... $40,874.

Bella Coola — improvements to harbor — **J. B. Todd & Sons Ltd.**, Vancouver .... $69,474.

Sidney — temporary customs warehouse — **Vickery Construction Ltd., Victoria, B.C.** $4,357.

Vancouver — alterations and improvements to postal station "E" — **C. J. Oliver (V.I.) Ltd.**, Vancouver .... $96,583.

Glacier National Park — subbase (Class 3) from mi. 0 to mi. 7 on Trans-Canada Highway — **Shaw Construction Co.**, Midnapore, Alta. .... $222,625.

Glacier National Park — subbase (Class 3) from mi. 16 to mi. 27.3 on Trans-Canada Highway — **Premier Construction Co.**, Vancouver ..... $272,200.

Kootenay National Park — bituminous stabilized base from mi. 1 to mi. 18 on Banff-Windermere Highway; and Yoho National Park — double chip seal from mi. 0 to mi. 5 on Emerald Road — **Shaw Construction Co.**, Midnapore, Alta. .... $528,897.

Revelstoke National Park — base course, (Class 1) and bituminous base from mi. 0 to mi. 7.9 on Trans-Canada Highway — **Dawson, Wade & Co.**, Vancouver .... $261,353.

Yukon Territory

Carmacks — detachment quarters and generator house for RCMP — **St. Laurent Construction Ltd.**, Edmonton .... $64,930.

Dredging contracts:

Codroy, Nfld. — **J. P. Porter Co.**, Montreal .... $314,898.

Bedford Basin, N.S. — **J. P. Porter Co.**, Montreal . $516,500.

Kingsville, Ont. — **Dean Construction Co.**, Belle River, Ont. .... $25,410.

Port Credit, Ont. — **Russell Construction Ltd.**, Toronto .... $33,290.

Toronto — **Harbour Development Ltd.**, Saint John, N.B. .... $180,960.

ANNOUNCING
Important appointments in Canadian Industry, Finance, Business and Government

Angevine & McLaughlin Ltd. (Halifax) — Zen R. Graves, assoc. vice-president's office.

Atlas Steels Ltd. (Crowland) — Fletcher Peacock, comptroller, international div.

Babcock-Wilcox and Goldie-McCulloch Ltd. (Galt) — J. E. Pickering, manager eastern (Montreal) branch.

Bank of Nova Scotia (Halifax) — Edward D. Loughney, director: A. MacLean, comptroller (Toronto).

Bélanger Inc. (Montreal) — Jacques L. Bélanger, asst. managing director; Maurice Rozon, secretary-treasurer.

Burroughs Adding Machine of Can. Ltd. (Toronto) — Anthony H. Cardwell, general products sales manager; Douglas H. Peacock, sales manager computer products; Douglas Russell, branch manager Edmonton; Milton Andre, branch service manager Edmonton; A. J. Bardach, sales manager, government.

Brunner & Lay (Canada) Ltd. (Montreal) — Brian E. Johnston, sales manager.

Caldwell Linen Mills Ltd. (New Iroquois) — R. D. Archibald, vice-president and general manager.

Canadian Admiral Corp. (Port Credit) — John R. Bonner, vice-president and general manager (Ensign Acceptance Corp.).

Canadian Breweries Ltd. (Peterborough) — James D. W. Blyth, vice-president.

Canadian Fairbanks-Morse Co. (Montreal) — L. P. Beaulieu, vice-president and director.

Canadair Ltd. (Montreal) — T. Gilbert Dunkin, asst. manager sales engineering.

Chippewa Country Club Estates Ltd. (Southampton) — C. E. Pendley, vice-president and general manager.

Consumer's Gas Co. (Toronto) — C. R. Brewer, assistant to the president and area co-ordinator.

Consumers Glass Co. (Montreal) — Brian Heward, chairman of the board; J. Donald Mingay, president; D. Russell Gormley, executive vice-president.

Eastern Bakeries Ltd. (Saint John) — James G. Anglin, sales manager; Jack T. Nisbet, manager, western New Brunswick.

Editorial Associates Ltd. (Montreal) —André Bachand, director.

Edmonton Concrete Block Co. Ltd. (Edmonton) — C. C. Cousins, chairman of the board; H. "Bud" Banks, president and general manager.

General Development Corp. (Miami, Fla.) — Neil Bahr, general sales manager; Herman Perl, national sales director; Donald F. McVey, director land sales Florida.

General Bakeries Ltd. (Toronto) — Ross J. Langley, general sales manager.

General Tire & Rubber Co. (Toronto) — William F. McNurney, vice-president and general manager.

Gray Rocks Inn Ltd. (St. Jovite) — Harold G. Last, general manager.

Grouped Income Shares Ltd. (Vancouver) — S. C. Scobell, investment counsel.

Imperial Life Assurance Co. of Canada (Toronto) — Flint G. Shurly, secretary; John C. Smith, senior office.

International Nickel Co. of Canada Ltd. (Copper Cliff) — Wm. K. Whiteford, director.

Korfund Co. (Canada) Ltd. (Montreal) — Joseph A. Ullman, manager, products and purchase.

Lombank Canada Ltd. (Belleville) — L. F. Radonicich, vice-president; D. R. Duffy, vice-president and treasurer; Charles T. Lovett, vice-president, operations; Lt.-Col. John H. C. Clarry, director.

Martin-Senour Co. (Montreal) — J. H. W. Lawrence, general sales manager.

Montreal Trust Co. (Montreal) — Gilbert W. Fitzhugh, director.

Muirhead Instruments Ltd. (Stratford) — R. W. Watler, general manager; R. G. Roth, accountant.

Pigott Construction Co. (Hamilton) — G. Valois Bourbonnais, chief engineer, Quebec div.

Roxton Mill & Chair Ltd. (Waterloo, Que.) — Mitchell N. Call, sales manager.

Royal Trust Co. (Montreal) — John L. McCaul, public relations supervisor; H. E. Trenholme, supervisor of pension trusts.

Seiberling Rubber Co. of Canada Ltd. (Toronto) — Gordon K. MacPherson, merchandising manager, automotive div.

St. Lawrence Corp. (Montreal) — Gordon F. Harrison, director industrial relations.

Sun Life Assurance Co. of Canada (Montreal) — H. R. Crabtree, M. M. Walter, directors.

Sun Oil Co. of Canada (Toronto) — E. D. Lorimer, industrial products dept. representative.

Thompson Products Ltd. (St. Catharines) — David R. Thom, vice-president, sales.

Timkin Roller Bearing Co. (Canton, O.) — R. A. Pollock, branch manager Vancouver.

Toronto General Trusts Corp. (Toronto) — Brett F. Sine, Calgary advisory board.

Union Carbide Canada Ltd. (Toronto) — Robert John French, silicones technical rep., eastern sales.

Vigor Oil Co. (Oshawa)—J. Wayne Hinds, general manager.

New York's Marvin Kratter Moves into Toronto Project

Two weeks ago, fast-moving Marvin Kratter, New York's "real estate man of the year", flew into Malton airport in Toronto.

He and fellow directors of his **Kratter Corp.** who joined him there, circled Toronto by air shortly afterward to have a look at the latest object of their interest — **Thorncliffe Park's** real estate development in the Leaside area of metropolitan Toronto.

Five days later, after intensive discussion and frequent meeting, Thorncliffe and Kratter announced plans for a deal.

The U. S. firm proposed to buy 400,000 treasury shares of Thorncliffe at $5.87½ per share Canadian funds and was given an option on a further 95,000 at the same price.

Market price of the stock jumped from $6 to $9 initially, then settled to about $7.

The agreement is subject to approval by Thorncliffe shareholders.

A meeting to vote on the proposal will be held after Toronto Stock Exchange and U. S. Securities & Exchange Commission approval of the deal has been obtained.

Kratter Corp. is also expected to bid for 100,000 of the 470,000 Thorncliffe shares already outstanding. Terms have not been released.

For Thorncliffe, the nearly $2.4 million of new money should make possible a speed-up in the rate of development, President K. M. Smith said.

About 15 apartment buildings and a shopping centre are either in operation or nearing completion so far.

For Kratter Corp., the 360-acre Leaside project is a new opportunity for development on the grand scale on which its chairman, Marvin Kratter, likes to operate.

When fully developed, the project is expected to involve $75 million or more.

Kratter is an enthusiastic admirer of William Zeckendorf, head of **Webb & Knapp Inc.,** whose operations in the real estate field have cut a wide swath in the U. S. and Canada.

Kratter was recently quoted in a U. S. magazine article: "Zeckendorf's got the greatest real estate brain that ever hit this country."

Recently, Webb & Knapp has been moving to retrench, as its operations threatened to outrun its finances.

Kratter Corp., on the other hand, has been speeding up the rate of its operations.

Like Zeckendorf's, the deals frequently involve many millions and complicated leasing and mortgage arrangements to finance them.

About the same time it announced the agreement with Thorncliffe, a Kratter Corp. subsidiary bought at public auction for $1,065,000 the air rights over the Manhattan approaches to the George Washington Bridge. Company plans to build a $12 million apartment development on the two-acre site.

It reported this month it expected to start work almost immediately on a $22.5 million housing development on the site of Ebbets Field, former home of Brooklyn's baseball Dodgers.

In May, it bought the 600-room St. Regis hotel in New York from Webb & Knapp, and leased it back to Zeckendorf Hotels Corp.

In June it contracted to buy a 34-story office building in Kansas City and leased it to a New York realtor.

In July, it disclosed negotiations to buy 51% interest in **Crescent Petroleum Corp.,** a diversified U. S. company with gross revenues of $24 million in 1959 (80% from manufacturing, 20% from natural resources). Rumored purchase price: $18-$20 million.

The same month, it bought a 95,000 sq. ft. parking lot opposite the United Nations building in New York for $5.5 million. Webb & Knapp, which plans to develop the property, simultaneously acquired an option to buy the property Dec. 1.

To help finance its rapid growth, Kratter Corp. sold $23 million worth of stock in April through an offering to its shareholders.

Prospectus issued in connection with the offering showed Kratter assets at $78 million as of Dec. 31, 1959, and shareholders' equity at $16 million.

Thorncliffe's latest annual report shows assets of $8 million and shareholders' equity of $1.2 million as of Feb. 29, 1960.

One sequel to the Kratter agreement: Norton Penturn, president of Toronto real estate firm **John Penturn & Sons Ltd.,** has been appointed a Thorncliffe director.

He replaces D. Hubert Cox, onetime Thorncliffe president, who has resigned as a director.

U. of T. School Offers New Course

A new course, Management of the Enterprise, will be added this fall to the "administrative development program" of the University of Toronto School of Business (formerly Institute of Business Administration).

Ralph Presgrave, vice-president of **York Knitting Mills Ltd.,** will conduct the course.

It is designed to give experienced executives the opportunity to discuss general management problems with specialists from other fields and industries.

New course will meet Monday evenings. Fee: $55.

All six courses consist of 20 weekly evening sessions, each two hours long, running from mid-October to March.

Ponder Oils Buys Printing Firm

Purchase of all outstanding stock of Winnipeg's **Universal Printers** is reported by Ponder Oils for a price of $1.8 million, raised by a short-term bank loan and $475,000 from Ponder's treasury.

Universal, a major producer of Canadian paper-back books, has been a family-owned company for 50 years.

Ponder plans investment of $350,000 in new equipment, has also purchased the land and buildings for $330,000. A management agreement has been signed with the former owners.

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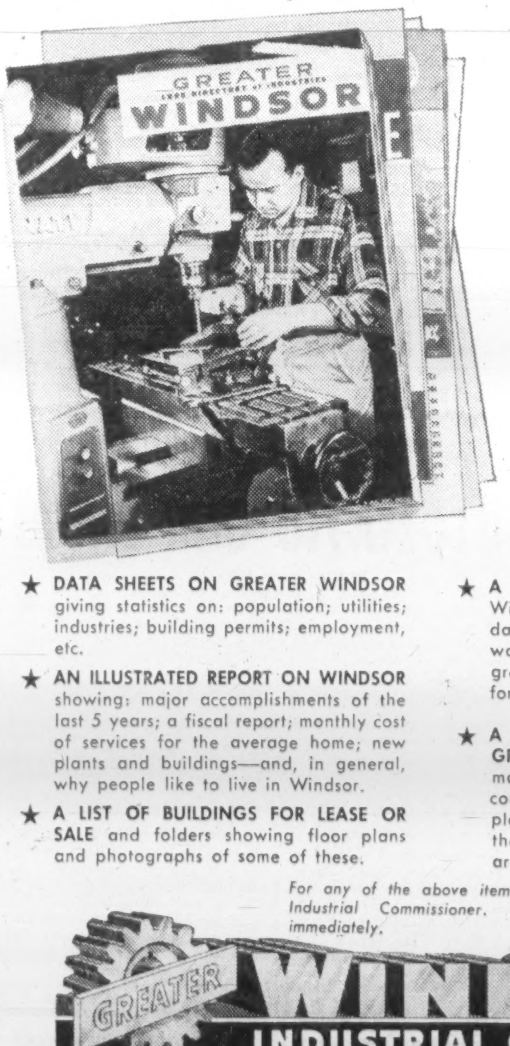

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★ A COLOURFUL BOOKLET about Greater Windsor giving facts about: our abundant electrical power; natural gas and water; skilled labour; transport facilities; growth figures and other pertinent data for industry planning on locating here.

★ AN ILLUSTRATED REPORT ON WINDSOR showing: major accomplishments of the last 5 years; a fiscal report; monthly cost of services for the average home; new plants and buildings—and, in general, why people like to live in Windsor.

★ A 1960 DIRECTORY OF INDUSTRIES IN GREATER WINDSOR. This shows the manufacturer's name, address, product, company officers and number of employees. It is cross-indexed. (Because of the expense in developing this book, we are obliged to charge $2.00 for it.)

★ A LIST OF BUILDINGS FOR LEASE OR SALE and folders showing floor plans and photographs of some of these.

For any of the above items please write Murray A. Elder, Industrial Commissioner. Your requests will be filled immediately.

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THE INVESTMENT FUNDS

First Oil & Gas Fund Adds to Stockholdings

First Oil & Gas Fund Ltd., Calgary, Alta., total net assets at March 31, 1960, of $3,370,026 were 20.9% higher than the $2,787,138 reported at the end of January.

In the same period, net asset value per share fell 2.8% to $3.80 from $3.91.

There was a net sale of 128,888 shares increasing the outstanding capitalization to 841,597 shares.

During the two months the fund added common stock of **Canadian Western Natural Gas Co.** to its portfolio. Increases were made in all other holdings except **North Star Oil, Trans-Canada Pipe Lines** and **United Oils.**

Here are the changes for the period in detail:

Common:	Amount held Mar. 31 1960 (Shares)	Change since Jan. 31 1960 (Shares)
Imperial Oil	5,375	+800
B.A. Oil	7,000	+1,400
Texaco Can.	2,450	+165
Cdn. Oil Cos.	6,400	+1,475
Cdn. Husky Oil	13,200	+2,500
Anglo Amer. Explor.	5,150	+150
Alta. Gas Trunk	8,400	+1,700
Interprov. Pipe	3,825	+450
Trans Mtn. O. P.	12,500	+800
Cdn. West. Nat. Gas	1,100	+1,100
Int'l. Utilities	5,100	+625
Union Gas Co.	9,300	+275
Bailey Selburn	14,200	+2,700
Cdn. Sup. Oil of Calif.	8,100	+1,825
Calgary & Ed. Corp.	5,100	+1,500
Central Del Rio	21,800	+5,600
Dome Pete	12,200	+3,000
Hudson's Bay O. & G.	8,050	+1,700
Medallion Pete	48,000	+11,300
Pacific Pete	7,900	+3,600
Provo Gas	20,000	+9,000
Triad Oil	23,300	+3,800
West. Cdn. O. & G.	48,500	+12,200

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The Town of Whitby requires the services of a full time Industrial Commissioner. Salary and Commission basis. Applications will be received until 5 o'clock p.m., Wednesday, August 31st. Applicants should state age, education and experience. Application should be plainly marked on the envelope, and should be addressed to Mr. W. Stan Martin, Chairman, Whitby Industrial Commission, Box #1059, Whitby, Ontario.

MECHANICAL ENGINEER

Require Mechanical Graduate to fill permanent position on northern mine property in Maintenance Engineering Department. Mining background necessary with preventive maintenance experience preferable. Attractive salary, company housing, and five weeks annual leave provided. *Direct full particulars and enquiries to:—*

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To call on banks in Toronto area. Prefer man age 30-40, with sales experience, either bank or systems background. International corporation with Canadian manufacturing plants and sales offices. Income $7,000-$9,000 per year plus liberal retirement plan and insurance program. All replies confidential.

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Prefer individual with extensive experience in decentralized operations under functional control. Position requires minimum of ten-year background of progressive responsibility, ideally in the farm equipment field. Must be able to formulate policy, devise incentives, build and maintain an effective reporting structure. Age range 35-45.

If you feel that you are fully qualified, please forward complete resume and personal history. Replies will be treated confidentially. Do not telephone or apply in person.

Address:

Stanley Jones, Salaried Employment Manager,
Cockshutt Farm Equipment Limited,
66 Mohawk Street, Brantford, Ontario.

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Vacancies exist in our Electronic Laboratories for competent qualified circuit designers. The work involves digital circuitry and experience is a necessary requirement.

A working knowledge of semiconductors desirable.

Company supported pension and health plans. Excellent working conditions.

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Personnel Manager,
Ferranti-Packard Electric Limited,
Industry Street, Toronto 15,
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Please do not telephone as only applications in writing giving full information and references will be considered.

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Applicants should be well experienced in office work-simplification, with a good practical knowledge of flow charting, forms design, bookkeeping machines, punched card systems design, etc. Knowledge of IDP or computers desirable.

Successful candidates will have the maturity to deal with senior management in a wide range of business, and be accustomed to writing and speaking logically and clearly.

Applicants should be 25 to 33 years of age and preferably university graduates. Salary will be commensurate with experience.

Applications, which will be treated with confidence, should indicate age, education, business experience and present salary, and should be addressed to:

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507 Place d'Armes, Montreal 6, Quebec

1030 West Georgia Street, Vancouver, B.C.

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EXECUTIVE EMPLOYMENT MARKET

Fall 1960

Executive employment activity reaches its peak in the fall each year. The proportionate demand for specialized executives is established in the spring with the volume of demand increasing in the fall. This year, however, there will be a shift in emphasis. For the past 18 months Marketing executives have been in greatest demand with Sales in second place. Next, in third place, has been Engineering followed by General Management, Financial and Manufacturing Executives in that order. It is now apparent that demand for Sales Executives will exceed Marketing this fall and through the Spring of 1961. About 20% of all executive positions will be Sales and about 15% Marketing. Engineering will continue in third place. However, there will be some increase in demand in both Manufacturing and Finance that could move them ahead of General Management which will continue in low demand. In most other areas—Purchasing, Industrial Relations, Legal, etc.—there will be relatively few senior positions open this fall.

EARLY REGISTRATION

Many positions in the $5,000 to $25,000 range have already been registered with us for presentation of candidates this fall. If you are planning a change this year it is essential that you register at once to ensure consideration against current and fall openings. It is unlikely the peak period this year will extend beyond October, so there will be a short critical period of two months, September and October, of maximum opportunity for considering new positions. If you wait to register, you will miss consideration on many of the openings during this period. Your registration at J. K. Thomas Ltd. is in complete confidence, of course, and there is never any fee, but you will receive full consideration against openings as they occur. Just 'phone us (WA. 3-9805) or write us, asking for a Confidential Registration Form.

Mail resumes in confidence. *Fees paid by our employer-clients.*

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SALES OPPORTUNITIES

Expanding Sales Department of major utility company has the following vacancies:

CONTRACT ASSISTANT—Young man must have degree in business, engineering or commerce with one or two years' experience in statistical analyses or related sales experience in gas or petroleum industries.

MARKET RESEARCH—Engineering or commerce graduate with several years' experience in sales and market analyses related to fuels and/or electrical energy. Should be free to do some travelling.

The above positions offer outstanding opportunities at good salaries.

Apply in writing only to:—

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TRANS-CANADA PIPE LINES LIMITED
150 Eglinton Avenue East • Toronto, Ontario

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RESPONSIBILITIES

Employer is a well established Ontario wholesale merchandising institution.

Duties require management of 25 salesmen.

QUALIFICATIONS

Applicant must have experience in and fundamental knowledge of the art of selling retail accounts. He must be able to assess and train able sales personnel.

He must be imaginative as to marketing techniques.

He must be able to coordinate his goals under the authority of the General Manager.

Age and initial product knowledge are incidental to the above qualifications.

THE CHALLENGE

This sales force has deteriorated in the last 10 years. The challenge simply is to rejuvenate this sales force.

Apply Box 78, The Financial Post, Toronto

PERSONNEL SUPT.

New Mine and Refinery in Saskatchewan seeks candidates for initial staffing of this responsible and challenging position.

Labor, Industrial and Community relations are vital areas of qualification. Applicants must have professional level skills, ambition, and willingness to reside in a small rural community on which this operation will have considerable impact.

Apply in confidence with full details of personal history, education, experience and references to:

Box 85, The Financial Post, Toronto

ADMINISTRATIVE ASSISTANT TO THE PRESIDENT

THE COMPANY

A Canadian manufacturing company with strong U.K. and U.S. affiliations engaged in the paper converting, printing and allied industries.

THE POSITION

Initial responsibilities as Administrative Assistant to the President to relieve the President of day-to-day responsibilities and decisions. It is expected that the successful candidate will be of the calibre necessary to be appointed Vice-President/General Manager of the company within the shortest possible period.

QUALIFICATIONS

1. About 35 years of age, but outstanding candidates of any age will be considered notwithstanding this or any other requirement.
2. Experience in the paper converting, printing or allied fields at successively higher levels of management in production, marketing or administration.
3. A degree from a recognized university.
4. Proven ability to work with other executives.

SALARY

Open to negotiation and dependent on the qualifications and experience of the successful candidate.

APPLICATIONS

All applications will be answered and withheld from the company until after a preliminary interview.

Apply in own handwriting for an interview, attaching a handwritten or typed résumé of education and industrial qualifications and experience, including earnings.

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ARE YOU INTERESTED?

Opportunity for hard working media representative who can produce results on National accounts. Must be aggressive, intelligent, with good connections and experience. Salary open.

Preferred age 30 to 40. Must be able to stand close character and financial investigation. Should be capable of directing others, in addition to handling own sales programme.

Montreal or Toronto location, with occasional short out-of-town trips necessary.

Position available October — applications accepted to September 12th. Please enclose references with full résumé which will be held in strict confidence.

Box 79, The Financial Post, Toronto

INTERNAL AND WOODS AUDITOR

Required for expanding multi plant manufacturer of wood products currently operating in Ontario and Quebec with Head Office in Ontario. Successful applicant will be expected to conduct audits in woods operations as well as in branch plants. This will involve considerable travelling.

The position offers opportunity for advancement. Beginning salary will be generous but will depend somewhat on qualifications and previous experience. In addition, the Company undertakes to pay all travelling expenses. Apply to **Box 72, The Financial Post, Toronto,** stating age, educational qualifications and details regarding previous experience.

INDUSTRIAL ACCOUNTANT

A major company in the Canadian Chemical Industry located in the Montreal area seeks the services of a well qualified and experienced industrial accountant. Under the direction of the comptroller he will be required to advise and assist in developing and maintaining a company-wide system of accounting controls with emphasis in the cost accounting and statistical reporting areas. The salary set will be such as to attract the best of those applicants who have a Bachelor's Degree or equivalent in accounting plus 7 to 10 years' public or private accounting experience with at least 3 years in a supervisory level. Applicants are requested to provide full details of their training and work history addressed to

Box 54, The Financial Post, Toronto

SALES MANAGER
STEEL PLATE FABRICATION AND ERECTION

A well established client in the steel plate fabrication and erection industry requires an experienced Sales Manager.

He will have responsibility for sales planning, including forecasting, budgeting and assigning territories for three sales offices across Canada. He will also be responsible for the sales administration and estimating functions, and for profitability analysis for various product lines.

The successful applicant will be a Professional Engineer with at least five years experience in sales management, preferably in the plate fabrication, the structural steel or the heavy equipment industries. He must be free to travel.

The salary is open, and will depend upon the ability and experience of the successful applicant.

Replies, which will be treated in strictest confidence, should state age, education, detailed experience and present salary, and should be addressed to:

WOODS, GORDON & CO.

15 Wellington Street West
Toronto 1, Ontario

MANAGEMENT CONSULTANTS

CITY OF VANCOUVER
BRITISH COLUMBIA, CANADA

Two vacancies in an established Planning Department of a growing city of 400,000, with a vigorous planning program. (Professional staff of eighteen.)

Application forms for the following positions should be obtained from and returned to the Personnel Director, Room 206, City Hall, 453 West 12th Avenue, Vancouver, B.C., as soon as possible. Please state whether applying for one or both positions.

ASST. DIRECTOR OF PLANNING
(General Planning and Design)

To direct and supervise a division comprised of civic design, transportation, land use, and research sections; to be responsible for close co-operation with the administrative division (zoning and sub-division control) and the urban re-development division. Opportunity for creative imagination. Qualifications: Post-graduate degree or other recognized diploma in town planning; professional status in architecture, civil or municipal engineering advantageous. Considerable professional experience in City planning and preferably also in the basic professional field, including administrative responsibility. Salary: $797 to $923 per month, depending on training and experience, plus approximately 14% fringe benefits.

ASST. DIRECTOR OF PLANNING
(Urban Re-Development)

To conduct from its inception a programme of re-development based on an approved outline, including the organization of a new division. Opportunity for creative imagination. Qualifications: Post-graduate degree or other recognized diploma in town planning; professional status, preferably in architecture. Considerable professional experience in City planning and re-development of urban areas. Salary: $729 to $847 per month, depending on training and experience, plus 14% fringe benefits.

Quebec Seeks Power Sources On James Bay

Besides its $2,000 million development projects on the Manicouagan and Outardes Rivers, Quebec Hydro is studying possible power sites on the Nottoway River in the James Bay area.

As a further source of power, Quebec is intensifying its studies of thermal power plants. Thermal power could be integrated into the system to help overcome winter power losses due to ice in the St. Lawrence.

By VINCE LUNNY

MONTREAL (Staff) — Quebec Hydro is pondering two farsighted moves:

- **To investigate potential sites** on the little known Nottoway River in the James Bay area.
- **To intensify studies** of thermal power plants.

(These projects are in addition to plans to spend nearly $2,000 million to develop six million hp on the Manicouagan and Outardes Rivers.

Quebec still has tremendous untapped power resources, including perhaps as much as 10 million hp at the south end of James Bay and 10 million hp in the Ungava Bay area.

Thermal power might be used to augment generating capacity of the commission's Beauharnois plant at Montreal and it might be used in connection with a 900,000 hp plant proposed for the Lachine section of the St. Lawrence River.

Thermal power could be integrated into the system to overcome winter power losses due to ice.

Meanwhile, the Manicouagan and the Outardes, with courses running roughly parallel through the North Shore wilderness, will combine their hydraulic potentialities to create Quebec Hydro's principal source of power.

Lines will be directed toward Quebec City and Montreal. No decision has been reached on voltage.

Preliminary estimates place the cost at $1,800 million but some experts believe it could easily go to $2,000 million.

Quebec Hydro expects to meet a third of the cost out of income, the balance through bond issues. First issue is expected in November or December.

At its peak, the project will require a work force of 7,000.

Development of three waterfalls on the Manicouagan will realize some 3,700,000 hp while two sites on the Outardes will provide 1,440,000 hp.

Regulation of river flows will increase the capacity of two established powerhouses — the **Manicouagan Power Co.** plant from 280,000 hp to 580,000 hp and the **Quebec North Shore Paper Co.** plant from 70,700 hp to 410,000 hp.

Sequence of development of the waterfalls has yet to be decided but the blueprint calls for completion of the project in 1975.

First power will be delivered in 1965.

The Carillon power plant, under construction on the Ottawa river, will be producing some time in 1962. A 626,000 kw peak load plant, it will meet requirements until energy starts to flow from the Manicouagan and Outardes system.

Already $10 million has been spent in connection with the North Shore projects.

- **A $2.5 million,** 110-mi. access road will be completed next month.
- **Some $3.5 million** worth of equipment is already in.
- **An airport** has been built.

According to Hydro Commissioner Raymond Latreille, "the most massive concrete dam of its kind in the world" will be the main feature of the Manicouagan phase of the hydro-electric developments.

Some 4,000 ft. long and 650 ft. high, the dam will be located a short distance below the outlet of Lake Manicouagan, 125 mi. northwest of Baie Comeau 470 mi. from Montreal.

Some 2.5 million cu. yd. of concrete will be required to build the buttressed, multi-arch dam with a 600-ft.-wide base.

Power plant will incorporated into the base of the main arch. It will contain eight generating units of some 200,000 hp apiece.

The reservoir will cover 800 sq. mi. and will be capable of impounding 5,000 billion cu. ft. of water.

Among the largest in the world, this reservoir will rank with the Salto de Aldesdavilla watershed in Spain and the Kariba on the Zambezi river in Southern Rhodesia.

The powerhouse will be known as Manicouagan 5 because of its location on the fifth series of waterfalls from the mouth of the river. It will benefit from a 505-ft. drop of water.

Seven generating groups of 150,000 hp apiece will be contained in Manicouagan 3 powerhouse, 50 mi. from the mouth of the river at the third set of falls.

Here a rockfill dam will hold back 350,000 million cu. ft. of water at an elevation of 675 ft. above sea level. An underground powerhouse, similar to Bersimis 1, will be constructed with turbines operating under a 310-ft. head.

The second series of falls, 10 mi from the confluence with the St. Lawrence, will be the site of outdoor Manicouagan 2 plant, including 10 generating groups of 110,000 hp apiece. Head: 240 ft.

Outardes developments will be at Mile 58 and Mile 45 — the distances from the juncture with the St. Lawrence.

Outardes 58 generating station will have an installed capacity of 700,000 hp under a 425-ft. head. A storage dam will permit creation of a 650 billion cu. ft. reservoir.

Operating under a similar head, Outardes 45 will have installed capacity of 740,000 hp.

Installed capacity of Quebec Hydro is now 3.5 million hp. Capacity of all turbine installations in Quebec is 12.5 million.

Recently the Quebec government announced no new hydro concessions will be made to private interests (**FP**, Aug. 20).

It is believed private companies will have the right to build on sites now held.

Company Reports

Manufacturing

MAILMAN CORP., Montreal, consolidated net profit of $729,437 for year ended April 30, 1960, was 3.8% higher than previous year's net of $702,577.

On March 25, 1960, company acquired **Koroflex Plastics Ltd.,** Brampton, Ont., a wholly-owned subsidiary of **B. F. Goodrich Canada Ltd.**

Koroflex operations have been moved to St. Remi, Que. and integrated with those of **Steba Manufacturing Co.** Under an agreement with B. F. Goodrich, vinyl footwear will be sold under the trade names Koroseal and Koroflex.

Part of the rubber footwear operations from Lachine, Que., were moved to Granby, Que., early in 1960. President A. L. Mailman says that Lachine buildings are being fully utilized for manufacturing and warehousing.

Annual meeting is Aug. 31.

CONS. INCOME ACCOUNT

Years Ended Apr. 30:	1960	1959
	$	$
Sales	25,617,698	22,798,803
Net earnings	1,873,251	1,736,000
Less: Deprec.	341,306	379,060
Interest	62,209	69,158
Income taxes	737,727	581,751
Minority int.	2,572	3,454
Net profit	729,437	702,577
Less: Pref. divds.	56,462	61,012
Priority divds.	63,586	63,586
Com. divds.	121,254	114,381
Surplus for year	488,135	463,598
Times Interest Earned:		
Before deprec.	30.11	25.10
After deprec.	24.63	19.62
Earnings per Share and Dividend Record:		
Pref.: Earned	$67.76	$57.75
Paid	5.00	5.00
Priority: Earned	10.58	10.09
Paid	1.00	1.00
Com.: Earned	3.02	†3.05
Paid	0.60	0.60
†Based on fully paid shares only.		
Shares o/s as at Apr. 30:		
Pref., $100 par	10,765	12,165
Priority, n.p.v.	63,586	63,586
Com.: Fully paid	201,889	189,539
Partly paid	......	19,175

CONDENSED CONS. BALANCE SHEET

As at Apr. 30:	1960	1959
Cash	$171,494	$202,357
Accts. rec., less res.	4,197,508	3,741,346
Inventories	7,153,511	6,259,318
Advances	379,290	......
Prep. exp.	111,342	112,148
Total curr. assets	12,013,145	10,315,169
Notes rec.	514,000	514,000
Misc. assets	43,470	40,834
Fixed assets*	3,625,590	3,647,288
Total assets	16,196,205	14,517,291
Bank loans	2,634,583	2,072,646
Accts., etc., pay.	1,794,667	1,098,023
Taxes pay.	521,844	432,743
Debt. instal. due	160,000	160,000
Divd. pay.	15,896	15,896
Total curr. liab.	5,126,990	3,779,308
Funded debt	1,293,000	1,449,000
Minority int.	30,139	27,567
Capital stock	1,367,312	1,310,362
Capital surplus	45,915	39,165
Earned surplus	8,332,849	7,911,839
*After depr. of	4,919,635	4,561,610
Working capital	6,886,155	6,535,861

MOVES TO CALGARY

From Our Own Correspondent

SASKATOON — **Canadian Devonian Petroleums Ltd.,** Regina, will move its head office to Calgary. The firm's main saskatchewan holdings, in the Steelman field, are close to being drilled out.

Market Fight Shaping Up Between B. C., Alberta Oil

From Our Own Correspondent

VANCOUVER — British Columbia and Alberta crude oil may be headed for a market skirmish.

This possibility appears following awarding of a certificate for construction of the "little inch" pipeline that will tap northern B. C. oil fields and move their crude to market.

Trans-Prairie Pipelines Ltd., of Winnipeg and Edmonton, will build the 130-mi., $5 million, 8-in. carrier — starting immediately — and hopes to have it in operation in about 13 mo.

Trans-Prairie was given the franchise after **Peace River Oil Pipe Line Co.,** of Calgary, owned by a number of the major Canadian oil companies, gave it up, contending the B. C. government had attached conditions which would make it impossible to finance the project.

The Trans-Prairie line will carry the northern B. C. crude — which is now trucked to market at Fort St. John and Dawson Creek—to these points and other parts of the nearby Peace River district market.

Significantly, government spokesmen have made it clear that crude surplus to the needs of this market will move by the government-owned **Pacific Great Eastern Railway** to the Greater Vancouver market.

However, the metropolitan market is now served solely by Alberta crude delivered by the "big inch" **Trans Mountain Pipe Line.**

It seems axiomatic that B. C. crude will find a market in the metropolitan area only by displacing Alberta crude, which already is desperately searching for new market outlets.

(The National Energy Board is devoting priority attention to this marketing problem at the present time.)

B. C., a relatively new producer, also has its market problems.

Recent statistics showed it has 88 oil wells in the north capable of production, but only 39 of these were actually being operated. Thus 49 wells are shut in for lack of market or lack of access to it.

While this is a trivial productive capacity in comparison with that of Alberta, the B. C. government has hinted at a vigorous policy of marketing it.

These are two of the factors it has in mind:

- **Crude in the ground** produces much less revenue for government than do crude sales.
- **Movement of crude** to the Greater Vancouver market via the PGE means new revenue to the government-owned railway.

The attitude of the government may even lean toward a "B. C. first" policy.

For example, one condition which prompted the Peace River Oil Pipe Line Co. to give up its franchise called for an all-B.C. route at a later date, which would have meant the company would sometime have to abandon that section of its line which ran through Alberta.

(This company's plan entailed a part-B.C., part-Alberta route with its line linking with the Trans Mountain in Alberta.)

Furthermore, the government had stipulated that the cost of the Alberta section of the line could not be included in establishing a rate basis for the line.

Thus, although the companies which produce the B. C. crude may well not be interested in marketing it in Vancouver at the expense of their Alberta crude, the hand of government may interfere here.

B.C. Gas Men Bid on Bigger Market Share

B.C. natural gas producers in the Fort Nelson area are staking $93 million to compete and share in Canadian-U. S. West Coast markets.

Gas Trunk Line of B. C., sponsored by active Fort Nelson producers, with **Pacific Petroleums** the leader, intends to start work next month on a $93 million feeder and trunk system.

This raises competition with Alberta producers to a keener level.

Detail of the project:

- **A 30-in. trunk line** extending 245 mi. south from Fort Nelson to join existing Westcoast Transmission line which serves Canadian gas exporters to as far as Los Angeles.
- **Initial capacity** of 350 million cu. ft. per day, can be hiked to 650 million cu. ft. with added compression (two more stations to be built on another program at cost of $25 million).
- **Series of south-end feed lines** ($11 million) to service Nig Creek, LaPrise, East LaPrise, Boundary Lake producing regions.
- **Construction** of a $19 million scrubbing plant to remove impurities from northern-field dry gas fields.

Completion date on the project is December 1961. Gas Trunk Line reports steel orders now being placed and pipelaying on the main line scheduled to start in the spring.

The whole project nourishes B. C.'s major pipeline and petroleum development programs which in 1961 will see capital spending of some $225 million and creation of 2,000 new jobs.

Saint John Plans Big Development

From Our Own Correspondent

SAINT JOHN—A 1,000-home, 320-acre private housing development has been approved in suburban Simonds Parish.

Plans are being drafted by the Toronto firm of **Herbert L. Coons and Associates.** Agents for the unnamed principals are **Gilbert, McGloan and Gillis** in Saint John.

The land has been purchased or is under option. It will be the largest private housing development in Saint John and district.

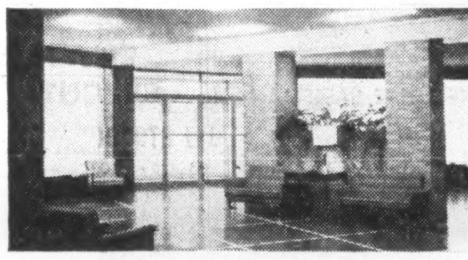
TWINDOW Insulating Windows
add to patients' comfort—give year 'round insulation at the new Saint John General Hospital

Hospital room temperatures must be carefully controlled to safeguard patients' health and comfort. This is especially true in winter when drafts and sudden drops in outdoor temperatures are common.

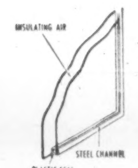
Twindow*—with its built-in insulating qualities (two pieces of glass separated by an imprisoned layer of dry, non-circulating air)—helps maintain rooms at an even heat. There are virtually no drafts at the window areas . . . and heating costs are substantially reduced. These are the reasons Twindow was used exclusively in the new Saint John, N.B., General Hospital. And what it has done here it can do for all types of buildings—schools, office buildings, municipal centres . . . and homes too!

The cost of Twindow Insulating Windows is surprisingly low! Find out today how well Twindow can fit in with your building plans.

*T.M.Reg'd.



ARCHITECTS: *Alward & Gillies—Mott & Myles Associated Architects, Saint John*
CONTRACTOR: *Acme Construction Co. Ltd., Saint John*
GLAZING CONTRACTOR: *Canadian Pittsburgh Industries Limited*



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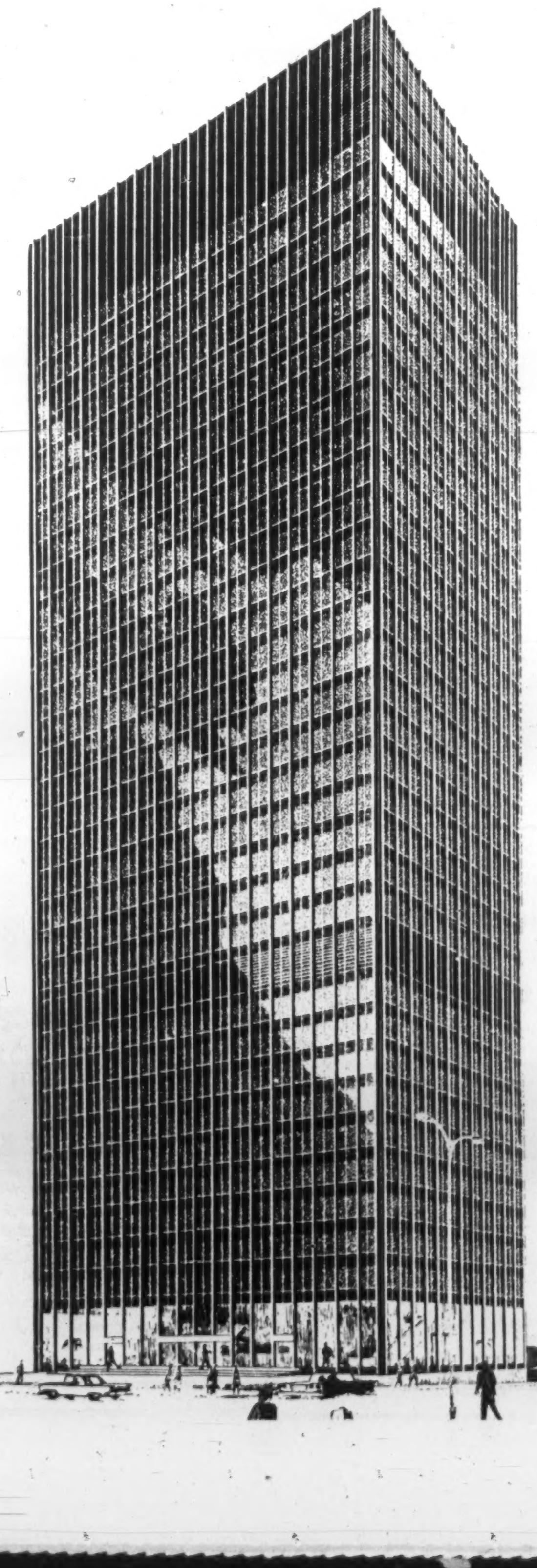

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ROSCO STEEL FLOOR DECK is being used exclusively throughout its 34 stories.

ROSCO STEEL FLOOR DECK provides structural values to the building as well as raceways for electrical and other services. **ROSCO STEEL FLOOR DECK** adapts to the freshest thinking in modern architecture . . . is unsurpassed in strength and quality . . . provides lifetime electrical flexibility . . . and can be installed with remarkable speed in any weather. A background of over 60 years experience in metals is your assurance that Rosco can meet your specification requirements . . . on time.

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MUMFORD

VERMETTE

THE QUEEN ELIZABETH hotel overlooks the cathedral-basilica of Mary Queen of the World and St. James in downtown Montreal and faces the huge Place Ville Marie development.

Just What is His Money-Making Magic?

The huge U.S.-owned Hilton hotel organization has a beachhead in Canada, The Queen Elizabeth Hotel in Montreal. And Hilton is poised to move into other Canadian cities.

Canadians may argue about American management of a Canadian publicly owned hotel, but they can't argue about the profitable magic of the Hilton management touch.

You'll be hearing a lot more about Hilton in Canada soon. Here's how the Hilton system works, and how it made The Queen Elizabeth pay off $4.5 million in profits.

By NORTON ANDERSON

What is the **"Hilton** touch" in hotel management? The time has come for Canadians to have a good look — for three reasons.

Two years and four months have passed since The Queen Elizabeth, Montreal's $24 million, 1,216-room, **CNR**-owned, Hilton-managed "finest convention hotel in the world" opened.

- **Thus, Hilton's Canadian organization has a strong, successful beachhead** established in Montreal. And it is poised and ready to move in two Canada-wide hotel directions at the same time:

- **Into the suburban, airport areas** (starting with an ultra-modern, $3 million, 300-room Hilton Inn opening soon at Montreal's Dorval Airport).

- **And into big downtown hotel propositions** in major Canadian cities. Hilton men watch these propositions daily.

Before, during and for some time after the QE hotel opened, public controversy raged. Many Canadians resented the fact that a publicly-owned enterprise was under American management. Even the name of the hotel had to be defended in Quebec.

Since opening, the controversial American management has taken in about $25 million, with a net operating profit of $5.4 million. This profit is split between the CNR and Hilton.

How is the profit being split? Conrad Hilton had made hotel management deals in a dozen other countries besides Canada. His usual proposition is reported to be two thirds of the profit for the owners, one third for Hilton.

CNR President Donald Gordon drove a hard bargain, knowing that Hilton wanted to get into Canada. **FP** estimates that on the QE deal the CNR gets 70% of the net operating profit.

This works out to 6.5% annual return to the CNR on its original investment, plus some other tangible benefits in having the Hilton people on the job. Both Gordon and Hilton are pleased with the results (see statements).

As the burgeoning Hilton of Canada lays plans to move out of the tailor-made QE hotel situation, many Canadians in a number of fields are studying the science Hilton applies to hotel management.

Here's how the Hilton management technique — the "Hilton touch" — did the job.

Only one man was sent to Canada in 1956. Donald M. Mumford, now 50, was moved from Hilton's Hotel Statler in Detroit where he was general manager to Montreal in the same position with the unborn QE.

A brilliant hotelman who started his career as lowly coffee boy in a Florida hotel, Mumford started recruiting top-flight executives to get things rolling.

Since the hotel was planned primarily for big convention business, he brought in J. Nelson Vermette as sales manager. Vermette, now 50, was convention traffic representative with system jurisdiction for CNR hotels and rail. Mumford advanced Vermette to director of sales, and, when the hotel opened in April, 1958, Vermette was made resident manager.

Mumford's move surprised the industry. Vermette had no previous hotel operating experience. Today Mumford says: "I wouldn't trade him for any other manager in the Hilton organization."

When the hotel opened, each of the 1,300 employees had received precise training from key Hilton people either in Montreal or in the U. S. Like Vermette, 95% of the employees are Canadian and 90% can speak two languages.

One of the first moves was to link the Canadian operation with Hilton's international sales connections and records. Conventions were booked to 1965 long before the opening — some of them, such as the annual event of the Canadian Pulp & Paper Association, were booked into the indefinite future.

Twenty department heads were sent to work in U. S. Hilton hotels, and specialists were drawn from famous hotels. Hilton of Canada spent $1 million of its own money on pre-opening expenses, invested another $500,000 to purchase initial food and beverages.

The fortunate hundreds invited to the fabulous official opening, coming from all parts of the continent, are still talking about it. Competitors claimed the opening cost a half million dollars. Hilton people smile and say the estimates are "grossly, fantastically exaggerated".

Mumford says the famous-name bands, the movie stars, the Canadian celebrities paid off. The QE hotel got a distinct North American recognition almost overnight. Guests flowing in to the hotel since then appear to bear out his contention.

The hotel was planned for conventions. It can handle big ones that previously had to skip Montreal. Situated one floor above ground level, and connected to the main floor by escalators, the convention floor can accommodate 3,000 for meals and 4,000 for meetings in its huge ballroom, four banquet rooms and 11 salons. Soundproof "disappearing doors" separate the rooms.

Before the National Union Party in Quebec was defeated in the last election, it staged a dinner at which 4,700 followers sat down to a French-service dinner with wines. The bill was staggering, but the service was awfully good. Closed circuit TV brought everyone on the convention floor up to the speaker's rostrum.

How does Mumford (who is also vice-president of **Hilton Hotels International** and **Hilton of Canada Ltd.**) apply the Hilton approach? He is at the same time an affable "hotel greeter" and a keen administrator. He watches operations from early morning to night, but department heads are given full freedom to make mistakes, learn and run their departments.

As Mumford says: "All a hotel represents is a bunch of brick and stone, carpets and cutlery. People make this business a success."

Mumford and Resident Manager Vermette live right in the hotel. They check the 21 floors daily. Weekly staff conferences study current operations and lay plans.

Some of the things heard at a Friday staff conference:

- **Doormen are not going right out** to the curb to meet incoming cars. "They must."

- **Thousands of Greek delegates to a convention** would be hitting the hotel the following week. Elevator operators would say "up" and "down" not only in the customary English and French, but in Greek as well, for the whole week.

- **A large wedding** of prominent Montrealers was coming up. "Let's have something new but dignified as a setting, and we can't use live flamingos borrowed from the Montreal Zoo this time," said Mumford.

- **Chambermaids were slamming doors** on Sunday afternoons and waking guests. They don't now.

Mumford and Hilton have considered always the small things as important. When Mumford took over the keys to the QE, he wanted all guest room doors planed a quarter inch so that free morning newspapers could be slipped into rooms.

He wouldn't agree with the builders that guests should go outside their rooms to get the papers. The doors were taken off and planed. "Now the papers are inside the rooms waiting for our guests when they are on their way to the bathrooms," said Mumford.

To shake down the hotel before opening, Mumford got the employees to train themselves. Employees had a grand time sampling all the luxuries of the hotel, but they also learned their jobs fast. They loved some of the dishes served: Beaver-tail soup, special French-Canadian dishes, Arctic char, buffalo steaks.

Native Quebeckers appear to like the food and service. As many as six French-Canadian wedding receptions are staged at the hotel in a single day.

The hotel, like any other, never sleeps. For example, the QE hotel auditors work all night. By 9 a.m. Mumford and his executives have laid before them a complete breakdown of the previous day's business, to midnight, right down to net operating profits. Every department in the hotel and each phase of operation is analyzed and compared with previous days, months, years.

Said a department head in an understatement: "It tends to keep us on our toes."

The sales organization is the bedrock of Hilton's success. It has put intense study into the huge convention business field. From Montreal, a staff of nine under a sales director, fits into the smooth Hilton International system of reports, resumes and files. They know where every convention on the continent, and many from abroad, has gone and is going. They send salesmen and executives to make pitches wherever groups are meeting.

The Hilton salesmen have a two-way arrangement with all CNR hotels in Canada. Hilton people work first to put business into Montreal, but if it isn't in the cards for that city, they work to move the guests to cities where the CNR has an establishment.

Mumford has made Montreal a training ground for hotelmen who are being moved to Hilton operations open or developing in Panama, Virgin Islands, Puerto Rico, Mexico, Madrid, Berlin, Cairo, Turkey, Australia, Holland, Trinidad, Greece, Italy, England, Japan, Abyssinia, Brazil, Argentina, Peru. Right now three department heads are being moved afield, and their places taken by Canadian trainees.

The QE has the largest hotel laundry in Canada. Mumford has made it pay off. This August, for the first time, by taking in large outside laundry work the hotel got its 500,000 pieces of monthly laundry done for nothing.

Thirteen concessions of the CNR send soiled linen to the QE, plus **TCA**, the Queen Elizabeth Hospital in Montreal. Ten million pieces of laundry a year go through the hotel plant, six million pieces for the hotel.

(Continued on Page 20)

Hotel's Income Picture:

During 1959 the QE hotel received **21,494** reservations (with an average length of stay of 2½ days) from Hilton International — equal to 18% of the total room business. The QE hotel booked **8,258** reservations for other Hilton hotels.

Average room rate (which takes into account double occupancy) now is running at $14.24 — up from $13.59 last year. This is part of the Hilton "sell up".

Two full years of operation at the QE hotel were completed on April 16, 1960. The record:

	1st Year	2nd Year	4 Months in 3rd Year
Net occupancy	58.7%	70.4%	75.0%
	$	$	
House income	10,105,494	11,470,706	+10%
Rooms income	3,750,142	4,391,960	+10%
Food income	3,747,858	4,113,088	+13%
Beverage income	2,010,567	2,127,363	+3%
All other, incl. concessions	596,925	838,294	+15%

Three record revenue days: April 19, 1960, $65,850; Jan. 28, 1960, $63,040; April 13, 1959; $62,984.

QE Drawing Rail Traffic

Donald Gordon, president, **Canadian National Railways**, says rail travel into and out of Montreal has increased since the QE hotel opened.

Here is his special statement for **FP**:

* * *

By DONALD GORDON

The Queen Elizabeth, happily justifying the high hopes that led to its construction, has proved itself a worthy queen of Canadian hotels and at the same time an integral part of Montreal's community life.

The success of this institution to date indicates the soundness of planning by designers, engineers and builders of the hotel.

The need for a hotel specifically designed to accommodate large conventions had been long felt in Montreal and, indeed, in Canada as a whole, and The Queen Elizabeth has admirably filled this role. Its link with Hilton of Canada assured the hotel of an immediate share in North American convention business and this has been a major contribution to the hotel's spontaneous sound health.

However, we are especially proud of the favor which The Queen Elizabeth has won, not just among visitors but among its neighbors at home. Montrealers have made it clear that they like the hotel and they have made it a popular centre of community activity.

Finally, and not the least important, the hotel — stationed as it is adjacent to Canadian National's Central Station — has helped to stimulate rail passenger business. Since the hotel went into operation, the total rail travel into and out of Montreal has increased.

QE Among Top Earners In the Hilton System

Conrad N. Hilton, president, **Hilton Hotels Corp.**, and **Hilton Hotels International Inc.**, says the QE is a "perfect hotel".

Here is his special statement for **FP**:

* * *

By CONRAD N. HILTON

Ever since its opening more than two years ago, The Queen Elizabeth has been one of the most successful hotels among the 41 now numbered in our organization. The comparison is accurate whether reference is made to our hotels in the U. S. or in other countries.

Of course, we had a great initial advantage in that CNR provided us with a handsome building, beautifully furnished and carefully designed for efficient operation. The creation of The Queen Elizabeth demonstrated that co-operative planning efforts between our own experts and Canadian architects and other Canadian craftsmen and artisans could achieve what, in my opinion, is a perfect hotel.

Our earnest wish is that the hotels we operate abroad reflect the community and the nation in which they are located. After all, a hotel anywhere belongs to its city and its country. If it does not mirror its locale it can seldom be successful.

We can contribute our experience gained from many years of running large hotels in large cities. We can contribute our sales efforts which guide guests and conventions from one Hilton Hotel to another around the world. But there is no substitute for what Canadians provided in creating The Queen Elizabeth — or what they continue to contribute in the staffing and management in the day-to-day operation of The Queen Elizabeth.

If The Queen Elizabeth were not a truly "Canadian" hotel in almost every sense of the word, it would not be the fine hotel it is. All of us in the Hilton organization owe a great debt of gratitude to Canada and its people in the success of The Queen Elizabeth.

GORDON

HILTON

The "Hilton Touch" in Brief

The Hilton men might arrive in your city one of these days, so here's a thumbnail of how they work:

- **They** turn waste space in hotels into productive use.
- **Distinctive** character of the hotels is left unchanged. Only Canadian embellishments are added.
- **Efficiency** rather than standardization is stressed. They like to see things hum seven days a week.
- **They** consolidate facilities. They don't mind taking in washing to make the laundry pay.
- **Valuable** income from renting space for stores is pushed.
- **They** set great store on top-notch guest service. If the guest has a valid complaint, they'll refund the whole bill.
- **Hilton** men keep in personal touch with operations. Highly accurate business forecasts for each hotel allow them to estimate each day's take within 10%.
- **They** like to diversify their operations to be able to handle the needs of every traveler.
- **Modern** industrial methods are applied to hotel operation. Efficiency is predicated on six factors: Time and method studies, job analyses, job standards, safety programs, budgetary control and pricing programs.
- **Finally,** they are always looking ahead to improve menus, service, facilities.

Just What's His Magic?

(CONTINUED FROM P. 19)

A hotel of this size deals in box-car figures for purchasing. Largest purchased item is beef. Along with eggs and butter it is running at about $1 million a year. It uses more than 10,000 crates of oranges a year, too.

Hilton has helped change the convention business. No longer does the convention delegate engage in a three- or four-day spree — at least, most don't. While he attends business sessions his wife, and often his children go on organized tours, sip afternoon tea, attend fashion shows. In the evenings there are formal dinners, entertainment and dancing.

Says Mumford: "The horseplay has gone out of conventions. But they have become more popular than ever with the whole family."

Indications are that Canadians in many parts of Canada are going to see a lot of the "Canadianized" Hilton hotel management touch in the future.

Will it apply as successfully as it did in Quebec?

"We believe that with proper research, digging and observation there is much Canadian background to be applied to Canadian tastes everywhere in this wonderful country," said Mumford.

Conventioner Spends $170 in Four Days

Approximately one third of the QE's revenue comes from convention business.

Studies show that a delegate to the average convention spends $170 for an average stay of four days. He does not leave the bulk of his money at the hotel. Department stores get as much out of the visitors as the hotels — 20% each.

The remaining 60% spreads out over the whole business community. (What the delegate spends for transportation is a separate item.)

An aggressive organization like Hilton spends lots of time and money bringing a big convention to the city. If it is a very large group — such as the 38th Supreme Convention of the Greek Ahepa in August — only 5% (the official delegates) of the 20,000 conventioneers stay at the QE hotel, yet Hilton got the deal for Montreal.

QE hotel conventions, tour groups and exhibits:

	1958	1959	1960	Bookings Placed to 1970
Canadian	63	93	88	118
U. S.	34	64	71	74
International	6	5	2	12
Tour Groups	166	226	248	......
Exhibits	11	27	31	......
Delegates	40,000	75,000	85,000	2,000,000

Illustrated by Wes Chapman

Young Guglielmo Marconi was not being frivolous when he flew a kite 400 feet high at cold and damp Signal Hill, Newfoundland, on the morning of Dec. 12, 1901. The kite supported an aerial which enabled him to receive the first wireless message across the Atlantic from England, and launch a new era in communications.

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His Fashions Win Markets In California

An intelligent merchandising plan has helped this Winnipeg garment-maker to build sales for his sportswear in the U. S. Midwest and even in California, probably the world's most style-conscious market for casual clothes.

By year's end he expects to do as much business in the U. S. as in Canada.

By J. K. EDMONDS

WINNIPEG — **National Sportswear,** a five-year-old Winnipeg garment firm, is selling sportswear in California.

That's a feat that makes selling coals in Newcastle look like a piker's game. California is to women's sportswear what Paris is to the glamour-gown trade.

The California sales are something of a fluke, arising out of a chance contact with a buyer, but in the Midwest U. S. market, National Sportswear is making a determined bid for business.

By this year's end, the firm expects to do as much business in the U. S. as it does in Canada.

(In the fiercely competitive garment business, nobody quotes precise figures, but sales would run about $2 million this year.)

Behind this successful export effort is 28-year-old Zivey Feldman, who graduated from the University of Manitoba Law School in 1955, then became general manager of National Sportswear, a family firm.

FELDMAN

Feldman was no stranger to the garment business, since he had sold garments in his spare time since the age of 17.

That, he says, is the best introduction to the business, since in dealing with retail-store buyers the salesman has to learn fast, about fabrics, fit, styling and cost.

Right from the beginning, Feldman had his eye on the U. S. market.

The U. S. Midwest holds the best collection of consumers within striking distance of Winnipeg, and tapping this group seemed the best way of building the volume needed for profitable operation at competitive prices.

A detailed, on the-spot survey of costs, prices and lines being sold in Midwest U. S. stores showed that sportswear of the type most popular in Canada was not shown on U. S. racks.

At this point, Feldman might have drawn the conclusion that Canadian sportswear wouldn't go in the U. S. market.

Instead, he drew the alternative (and, as it turned out, right) conclusion that there was a gap in U. S. supplies.

He and members of his staff went out again, this time with samples, and the buyers bought. What's more, so did the consumers.

Fabric and workmanship are the principal selling points for the Canadian garments.

National Sportswear uses French and U. K. fabrics not often seen in the U. S.

On these it gets a 99% drawback of Canadian duty if the fabrics are made into garments for export.

National is pushing, with its U. S. customers, the idea of a source of prestige imports that doesn't involve shipment across the Atlantic.

With additional supplies only an overnight trip away, buyers can maintain minimum inventories, reorder items that prove fast sellers.

On this point, Feldman is getting advertising support from the British Woollens Institute.

Prices are competitive, but National has been careful to avoid anything that might give rise to a charge of dumping.

Quotations are in U. S. dollars, and some discounts allowed Canadians are not offered to U. S. accounts.

Samples are shipped through a customs entry point, rather than in bond, to get a customs determination before taking an order.

The firm pays close attention to minor problems of customs clearance that might irritate the customer — for example, making sure to mark net as well as gross weight on shipments, since duty is payable on net weight.

This type of detail, Feldman discovered, is the sort of thing Canadian firms are apt to overlook when taking a test run into the U. S. market.

National Sportswear isn't the only Winnipeg garment firm to tap the U. S. market.

Armour Clothing has been selling ski wear in Chicago. **Victoria Leather** has been selling jackets and car-coats in New York.

There's only one aspect of this development that baffles the trade:

The number of Winnipeg women who go on shopping trips to New York, Chicago or Minneapolis, and come home to boast of fashion finds in skiwear, jackets or sportswear that were made — if they only knew it — in their own home-town.

"Persuading Canadian women that we make high-fashion lines at home is even tougher than breaking into the U. S. market," Feldman says, "but we'll tackle them both together."

Winnipeg Firm Will Build Cold Storage in Toronto

A 2 million cu. ft. refrigerated warehouse will be built in west Toronto by **Winnipeg Cold Storage Co.**

The plant, incorporating some of the latest technological advances, will contain 150,000 sq. ft. of floor space on a five-acre site between the Queensway and Queen St., just east of Highway 27. It will cost about $2 million.

First major public cold storage installation to be built in the Toronto area in five years, the new plant will provide atmospheric control as well as very low temperatures, according to Leon Chechik, chairman of the board, of Winnipeg Cold Storage.

The warehouse will prolong the quality of all food products including sea foods such as frozen lobster from the Maritime Provinces. It will also incorporate materials handling techniques designed to bring handling costs to a minimum.

The warehouse will have access to the Queen Elizabeth Highway, Highway 27, Highway 401, and The Queensway.

It will also be served by a railway spur line directly connected to the main east-west **CPR** line.

Market surveys indicated a substantial need for this specialized type of warehouse in Toronto.

Preliminary drawings are complete, architectural plans are under way, and construction will begin when engineering plans are ready in 1961. Essential services have already been installed.

Winnipeg Cold Storage, a division of **Levy Industries,** Toronto, operates one of Canada's largest cold storage plants in Winnipeg.

Company Reports

SHERATON LTD., Montreal, consolidated net profit of $997,355 for the year ended Apr. 30, 1960 was 1.9% higher than previous fiscal year's $979,127.

Gross operating income of $15,557,091 increased 7.2%.

During the preceding two years, competition of new hotels in Toronto and Montreal was responsible for a reduction in gross operating income and net profits, President Ernest Henderson reports.

Company continued, however, to improve properties to enable it to meet competition. This policy will be continued. Repairs and maintenance cost in the past year amounted to $858,890 compared with $753,691 a year earlier.

CONS. INCOME ACCOUNT

Years Ended Apr. 30:	1960	1959
	$	$
Gross income	15,557,091	14,516,821
Net earnings	3,295,910	3,296,069
Less: Depr.	847,261	843,958
Amort. fin. exp.	7,054	14,528
Bond int.	401,863	436,857
Income tax	1,042,377	1,021,599
Net profit	997,355	979,127
Less: Cl. A divds.	125,625	2,128,925
Cl B divds.	......	229,643
Surplus for year	871,730	♦1,379,441
Times Bond Interest Earned:		
Before depr. & amort.	8.20	7.54
After depr. & amort.	6.08	5.58
Earnings per Share and Dividend Record:		
Cl. A†	$5.95	$5.85
Paid	0.75	*

†Before participation.

*Dividends not reported, but stated in annual report to be considerably in excess of minimum pref. div. of $1.

Shares o/s as at Apr. 30:		
Class A, $20 par	167,500	167,500
Class B, n.p.v.	300,000	300,000

CONDENSED CONS. BALANCE SHEET

As at April 30:	1960	1959
Cash	$298,395	$305,982
Accts rec., etc., less res.	764,315	829,017
Inventory	143,501	201,011
Prepaid exps.	201,770	254,226
Total curr. assets	1,407,981	1,590,236
Financ. exp. less w/o	201,495	232,647
Misc invest.	3,486,088	3,657,863
Life ins., c.s.v.	254,873	241,860
Fixed assets*	12,973,345	12,463,348
Total assets	18,323,782	18,185,954
Accts., etc., pay. & acc.	348,835	452,920
Accrued liabs.	1,016,446	915,721
Mt. Royal shs. unexch.	125,843	127,950
Total curr. liabs.	1,491,124	1,496,591
Def. income tax	59,392	64,214
Funded debt	7,978,600	8,702,213
Capital stock	3,650,000	3,650,000
Earned surplus	5,144,666	4,272,936
*After depr. of	9,104,656	8,326,928
Working capital	♦83,143	93,645

♦Excess of curr. liabs. over curr. assets.

HUGE CARS FOR PHENOL

Phenol will be shipped by **B-A Shawinigan Ltd.** on regular schedule by **CNR** from Montreal to British Columbia, in new tank cars holding 20,000 U. S. gal. The cars, 52 ft. long, are said to be the largest of their type built in Canada. They are leased from **Canadian General Transit Co.** Regular size cars hold 8,000 gal. Phenol is used in plywood manufacture.

mci The Mark of Responsibility

The manufacturers of Canadian automobiles have "*taken a beating*" . . . not only from the European imports, but also as reflected in the attitude of the public.

Press reports indicate that General Motors and Ford of Canada were down in sales for the first few months of the year, despite the success of their compacts and the inclusion in the sales figures of their own lines of British imports.

The public is affected because of the loss in employment, but one wonders if public opinion has been quite fair in blaming the manufacturers alone for the decline in domestic car sales.

Granted that their obsession for ever bigger and more powerful models made them vulnerable to the appeal of the European imports they have, in all fairness, been handicapped in competing price-wise with the tiny cars.

Canadians have long been warned that they are pricing themselves out of world markets. Labor must share this blame with management. The automobile industry serves as an example. Every wage increase over the years, in the automobile plant itself *and* in the plants of the many sub-industries involved, has helped to make it possible for European cars to supplant those of Canadian make, with resultant curtailment of employment.

Maybe it's time that *responsible* leaders in labor and industry joined together in an earnest reappraisal of a critical situation.

Responsibility — Our Need Today! Should Business Lead The Way?

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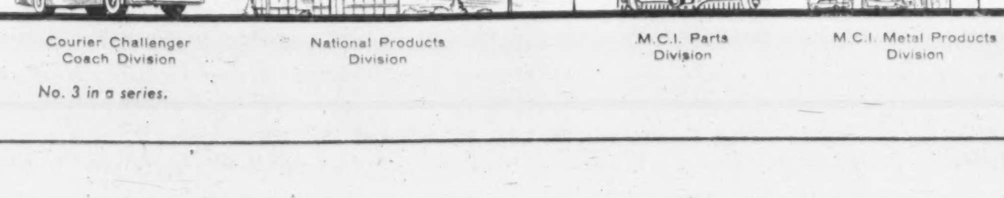

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No. 3 in a series.

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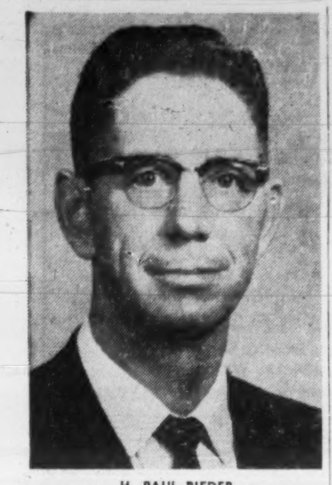

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Mr. F. C. Taylor, President of The Waterloo Manufacturing Company, Limited, Waterloo, Ontario is pleased to announce the appointment of Mr. H. Paul Rieder as Sales Manager of the Cleaver-Brooks Boiler Division of the Company.

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Sell Million Bottles Of Canada's Own Cider

B. C. fruit growers have abandoned attempts to imitate European ciders, are producing a Canadian sparkling cider made from delicious apples which has reached sales of 1,000,000 bottles a year in two years.

From Our Own Correspondent

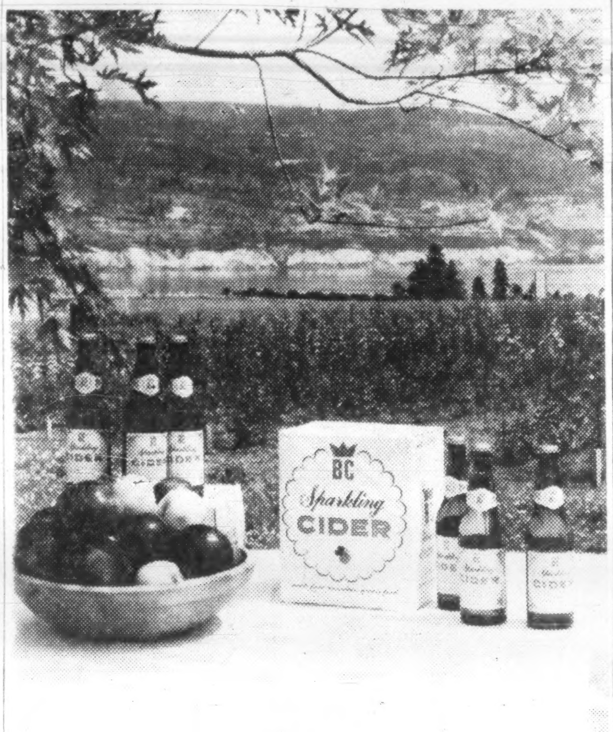
KELOWNA, B.C. — British Columbia fruit growers, a brewery and one small arm of the federal government have teamed up to show Europeans a new trick with one of Europe's old products.

In Europe the product is called apple cider. The B. C. variety is "sparkling cider."

Recently a panel of experts in Switzerland — after a blindfold tasting test — conceded the cider from Canada's west coast had "a fresh, natural flavor European processors have not yet achieved."

The Swiss, in fact, have asked permission to use the B. C. formula.

B. C. sparkling cider is now selling 1,000,000 bottles a year — the first commercial pack reached the market only in 1958 in — B. C., Alberta, Saskatchewan and Manitoba.



PUBLICITY photo shows B. C. sparkling cider bottles and carton against background of Okanagan Valley. Watch for bigger cider sales across Canada.

WALROD

The first shipment moved into Ontario this month, and the processors hope it will be available in Quebec shortly.

The B. C. cider grew out of an apple production problem in the lush Okanagan Valley, in the interior 200 mi. east of Vancouver.

The region produces 35% to 40% of Canada's apples—plus almost half of Canada's pears, one quarter of its peaches and one sixth of its cherries, and it is the only producer of apricots on a commercial scale.

But the industry has had its lean years.

Tons of fruit have been dumped in bad years. Thus the growers through their companies, have been engaged in a ceaseless search for new products, for new markets.

B. C. Tree Fruits Ltd, concentrates on fresh fruit and fruit for canning. **Sun-Rype Products Ltd.** handles fruit which, because it is slightly off its peak bloom, is unsuitable for the fresh fruit market and goes into other products.

Apple cider is one of 10 different products processed from apples by Sun-Rype, and the company marked up record gross sales last year of $4 million. About $1 million was returned to the growers' pool.

As elsewhere in Canada, cider processing had been explored from time to time in British Columbia over a period of years.

Technical and economic studies in the West Coast province demonstrated that Devon-type cider could not be made from the dessert apples produced in B.C. nor, on the other hand, could the special cider-type apples be economically grown in this region.

Temporarily frustrated, the growers nevertheless took a second look at the problem in 1956.

They asked themselves the basic question—as R. P. Walrod, general manager of Sun-Rype, phrased it — "how essential is it that we actually produce a Devon-type cider?"

They reasoned that probably few Western Canadians knew what a European cider tasted like. Perhaps a market could be created for a new apple beverage.

A careful technical and economic program was launched.

Apple juice sales had been built up to 1,000,000 cases annually — but one variety, the Delicious, a top dessert apple, could be used in apple juice for blending only in limited amounts. Too much rendered apple juice insipid.

Thus the Delicious was a natural for cider blending from an economic standpoint, if the right taste could be achieved.

Experiments were carried out at the Domin n Research station at Summerland, a community near Kelowna, under the direction of F. E. "Ted" Atkinson.

Finally a product of merit emerged from the lab.

As Walrod explains:

"Because the B. C. cider producing region is isolated from all major markets by distance, mountains, and resulting high freight costs, and because rates on glass bottles, full or empty, are relatively high, it seemed like a good idea at the outset to go to the beer can."

The first experimental pack of about 1,500 doz. tins was packed at the Summerland laboratory in the summer of 1956.

ATKINSON

With special permission of the B.C. Liquor Control Board, a market sampling was initiated through the Kelowna liquor store. A questionnaire was placed in each case to get the consumers' reaction.

But the market test failed when unexpected publicity — and the usual influx of visitors for the annual Kelowna Regatta — cleared the store shelves of the cider in days.

Control of the market test was lost since thousands of visitors, from Vancouver and the U. S. were among the cider buyers.

One of Sun-Rype management's big problems was the matter of finding a processing plant. Cider manufacture requires rigid control, expensive equipment.

At this point an enterprise-saving third factor entered the picture — the **Caribou Brewing Co.** and its general manager, R. T. Mullens.

Confident of a future for cider, Mullens offered the brewery facilities for processing cider.

This time from the lab emerged the present product, which has been granted Canadian patent 593,800. (Patent is pending in the U. S.)

The first commercial pack was pressed at Oliver, in the Okanagan, in April, 1958, and by the middle of June 75,000 cases containing six 12-oz. bottles had been delivered by the brewery to the Liquor Control Board.

The price was considerably higher than that of beer, and the press and public in B. C. raised a storm. The B. C. government, sympathetic to the venture, reduced the price, although its markup had been no higher than normal.

The publicity helped. Within eight weeks the pack was sold out, and only unfilled orders remained.

During the fall of 1958 and the spring of 1959 around 650,000 cases, or nearly 4,000,000 bottles, were packed. This volume was somewhat over-ambitious, but the sparkling cider doesn't deteriorate with age and sales are mounting.

The company says 87% of those who have tasted it like it.

It's a hot weather drink, and should be drunk at a temperature range of around 40 deg.

Market research studies, says Walrod, have furnished new information upon which the marketing program, package modification and type of bottles may be based in the future.

One of Sun-Rype's big jobs now is to differentiate between its sparkling cider and beer, in the public mind.

Actually, since it is fermented apple juice, the cider is classified as a light table wine, and is not unlike champagne. The company may accent the champagne factor in its future marketing approach.

With 10.5% alcohol, it's the only commercially produced apple cider in Canada. A new three-bottle pack will retail in B. C. for about $1.

The key to the process covered by patent 593,800 is that fermentation and oxidation — the former brought on by addition of yeast to the juice — is cut off at a precise point at which flavor and color can be retained.

When eyeing the North American market, Sun-Rype cites these figures: Apple cider production in the U. K. is about 20 million gal. a year; in France it is 40 million gal. a year.

SEMICONDUCTOR PRODUCTS

Canadian Motorola Electronics Ltd., Toronto, will market semiconductor products in Canada through a new division. A stock has been built up in Toronto of the electronic devices made in the U. S. by **Motorola Inc.**

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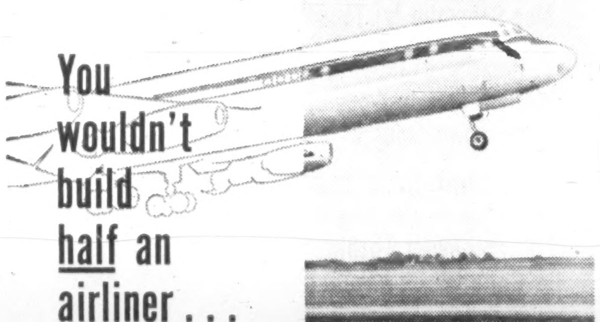

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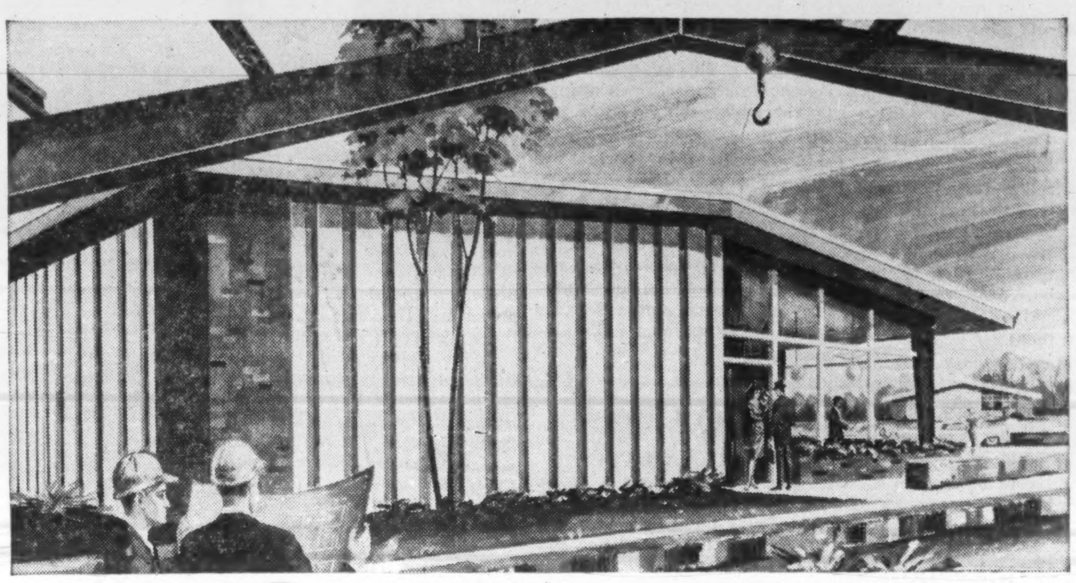

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More Sales Ahead For Surplus Pork

Are there more reductions in sight for our once staggering surplus of government-owned pork?

The trend is in that direction, officials of Meat Packers Council of Canada say.

Domestic and off-shore sales, out of surplus stocks, have sharply reduced the holdings of the Agricultural Stabilization Board which accumulated pork under the government's hog support program.

The "purchase method" of sup. rt ended last January.

Since then:

- **Holdings of pork cuts** have been slashed from 47 million lb. to under two million lb.
- **Stocks of canned meat** were knocked down from 122 million lb. to a recent 50 million lb.

Now, further off-shore sales are being sought to bring the stocks down still further.

Two big factors dominate the hog market this year, making it possible for orderly marketings:

- **There** has been a marked cutback in hog production.
- **Consumption** in Canada has been relatively high.

Stability has marked cattle marketing too this year.

Marketings have been higher, 10% ahead of 1959 on a first-half comparison, but the domestic disappearance rose 11% to spell out stability for the industry.

Ad Club Offers Lecture Course

MONTREAL (Staff)—A course in advanced advertising for executives will be conducted again this year by the Advertising and Sales Executives Club of Montreal in co-operation with the University of Montreal and l'Ecole des Hautes Etudes Commerciales.

Inaugurated several years ago, the course stresses marketing information with emphasis on advertising and sales.

Curriculum covers planning and budgeting, media selection, production and co-ordination of advertising with other marketing functions.

Faculty is composed of some 30 business and advertising men.

Lectures will be given on Monday evenings from Sept. 26 to March 27.

Nova Scotia Pulp Gets Timberlands

MONTREAL (Staff) — The $40 million **Nova Scotia Pulp Co.** bleached sulphite pulp project moved another step toward completion with announcement of a $3.8 million timberlands deal.

The provincial government has purchased more than 400,000 acres of woodlands from **Oxford Paper Co.**, a U.S. firm.

The limits now will be managed by the Swedish-backed Nova Scotia Pulp Co. as a source of pulpwood for its big new mill, now under construction. Completion is scheduled for late 1961.

Player's Please

THE MILDEST BEST-TASTING CIGARETTE

THE INVESTMENT FUNDS

Savings & Investment Fund Total Net Assets Rise 4%

Savings & Investment Corp. Mutual Fund of Canada, Quebec City, total net assets amounted to $4,311,357, at July 31, 1960, up 4.3% from $4,134,796 three months earlier.

Portfolio consisted of 73.6% common stock at end of July (73.6% at April 30, 1960): 6.5% (5.4%) preferred stock; 17.2% (17.1%) bonds, and 2.7% (3.9%) cash.

During the quarter the fund eliminated its preferred stock holdings of three public utilities as well as **Bailey Selburn** 5¾% preferred and **A. V. Roe** 5½% preferred. Holdings of another three preferreds were increased.

In its holdings of common stock, the fund purchased **Lower St. Lawrence Power** and increased its holdings of 15 other common issues including six paper companies. Six common stocks were liquidated, including two public utilities, and one other was reduced.

Here are the changes for the quarter in detail:

	Amount held July 31 1960 $	Change since Apr. 30 1960 $
Bonds:		
Laurentide Accept. 5%/80	nil	—25,000
Canada 3%/61	25,000	+25,000
Hydro-Ont. 5½%/80	25,000	+25,000
Preferred:	— Shares —	
Bailey-Selburn 5¾%	nil	—200
B.C. Electric 5%	nil	—300
Cdn. Intl. Power 6%	nil	—200
Massey-Ferguson 5½%	1,000	+400
No. Ont. Nat. Gas 6%	1,250	+750
A. V. Roe 5½%	nil	—50
General Trust 6%	2,000	+800
Union Gas 5½%	nil	—200
Common:		
Bank of N.S.	625	+125
Aluminium Ltd.	1,400	+400
Falconbridge Nickel	3,000	+500
International Nickel	500	—500
H. Walker, G. & W.	nil	—1,000
Imperial Tobacco	nil	—500
Moore Corp.	nil	—300
B.A. Oil	3,500	+500
Interprov. Pipe	2,700	+200
Trans Mtn. Oil	nil	—500
Bell Tel.	nil	—500
B.C. Tel.	nil	—500
C.P.R.	4,000	+2,500
Que. Tel.	2,000	+500
Lower St. Lawr. Pr.	525	+525
Abitibi P. & P.	3,300	+800
Anglo-Cdn. P. & P.	2,000	+500
Consol. Paper	2,000	+500
Howard Smith	2,000	+1,000
MacMillan B. & P.R.	7,000	+2,000
Price Bros.	3,000	+1,000
St. Lawrence Corp.	5,000	+2,500
Dom. Found. & Steel	1,125	+125

Okanagan-Bristol Merger Still Must Clear Hurdles

From Our Own Correspondent

VANCOUVER — It's up to Bristol, federal authorities and the whims of the money market as to whether the **Okanagan Helicopters-Bristol Aero-Industries Ltd.** merger goes through.

O.H. shareholders have approved the deal, under which Bristol would put up $3,046,149 in cash and take over $1,061,589 in O.H. liabilities.

But the merger is still subject to Air Transport Board approval and the ability of Bristol to finance the takeover (**FP**, Aug. 20).

If a public stock issue goes ahead, it's expected that it will be handled by **Wood, Gundy & Co.** Details have not been settled yet.

Rumored opposition to the merger among a group of O.H. shareholders — on the grounds that the terms did not allow them to retain an interest in the company — was apparent only on a minor scale.

One common stock shareholder, representing 1,450 shares, voted against the deal. But 331,439 shares represented at the meeting favored the takeover.

The preferred shareholders representing 32,026 shares unanimously approved the sale.

The common shareholders gave their approval with the proviso that the directors are satisfied that $4.50 would be offered for each share. Preferred shareholders have until Dec. 15 to convert their shares into common, on the basis of 2½ for one, which would make them worth $11.25 per share.

Otherwise O. H. can redeem the shares at a price of $10.50.

O.H., which began operations in 1947 with one helicopter and three employees, now has 61 machines and 172 employees and is the world's biggest commercial helicopter operation.

Bristol is aiming at an even larger helicopter operation, having already taken over foundering **Spartan Air Services Ltd.**

Its plans to take over **Autair Helicopter Services Ltd.**, however, fell through — inability to finance was the major reason—and shareholders of Autair have entered suit against Bristol for $824,000.

O.H. would, if its deal with Bristol goes through, retain its identity, provide management and become the helicopter arm of the Bristol group.

Bristol, however, also faces the hurdle of the Canadian air regulation which specifies that ownership of any Canadian airline or helicopter operation must be 60% Canadian, and Bristol is entirely U. K.-owned. (The regulation was waived in the case of Spartan.)

A Bristol principal stated, at the time the merger proposal with O.H. was announced, that it was definitely intended to allow Canadian participation in Bristol — it was only a matter of working out the form and details.

Survey Parties Roam Quebec In Record Year

Quebec's mineral wealth this year is undergoing record survey treatment by 57 government field parties from three branches of the geological services.

Department of Mines authorities say the 1960 program approaches if not surpasses the combined survey sorties of all other provinces.

New territories as well as old are being covered by crews which total 334 men, ranging over 18 provincial areas from the Eastern Townships to the Great Whale River on Hudson Bay's east coast.

Students are nearly half the total personnel of all parties. Undergraduate engineers are paid a minimum $250 per month, increased for second-time men.

Helicopters are again being widely used by the parties, but the traditional canoe and shoe are the main modes of transportation.

Surveys are gaining a greater following from mining men.

The department notes recent exploitation of iron at Lake Tio, the development of Lake Matagami, and the current exploration in Montbray township have all followed work of government geologists.

Saint John Faces Traffic Problem

From Our Own Correspondent

SAINT JOHN — Motor vehicle registrations in Saint John are rising 5% a year. **That's faster than most Canadian cities.**

Reason: Rapid industrial growth.

Toronto traffic engineer Samuel Cass, after a survey of the congestion in Saint John, says action to handle the rising tide of traffic must be taken immediately.

Appointment of a full-time traffic engineer has been recommended.

Offer Debentures, Preferred Of Imperial Investment Corp.

MONTREAL (Staff) — An offering of $4 million 20-year 6½% sinking fund debentures and $2 million $1.25 cumulative redeemable preferred ($20 par) stock of **Imperial Investment Corp.** is expected to be sold shortly by a syndicate headed by **Nesbitt, Thomson & Co.**

Debentures, which mature Sept. 1, 1980, are priced at par, and the preferred shares at $19.75 to yield 6.33%.

Proceeds of the issues will be used to retire some of company's indebtedness and to increase notes receivable. Balance is for general corporate purposes.

At June 30, 1960, Imperial Investment's notes receivable, after allowing for doubtful accounts, totaled $94,619,162.

B. C. UTILITIES

British Columbia Power Commission has bought the electric utility facilities at Fort Nelson and Valemount, B.C., from **Northland Utilities Ltd.** Change in ownership will mean a 10% rate reduction for users of electricity in Fort Nelson and an average 5% reduction in Valemount. Purchase of the Fort Nelson utility includes a commitment by B.C. Hydro to initiate natural gas distribution (**FP**, July 2).

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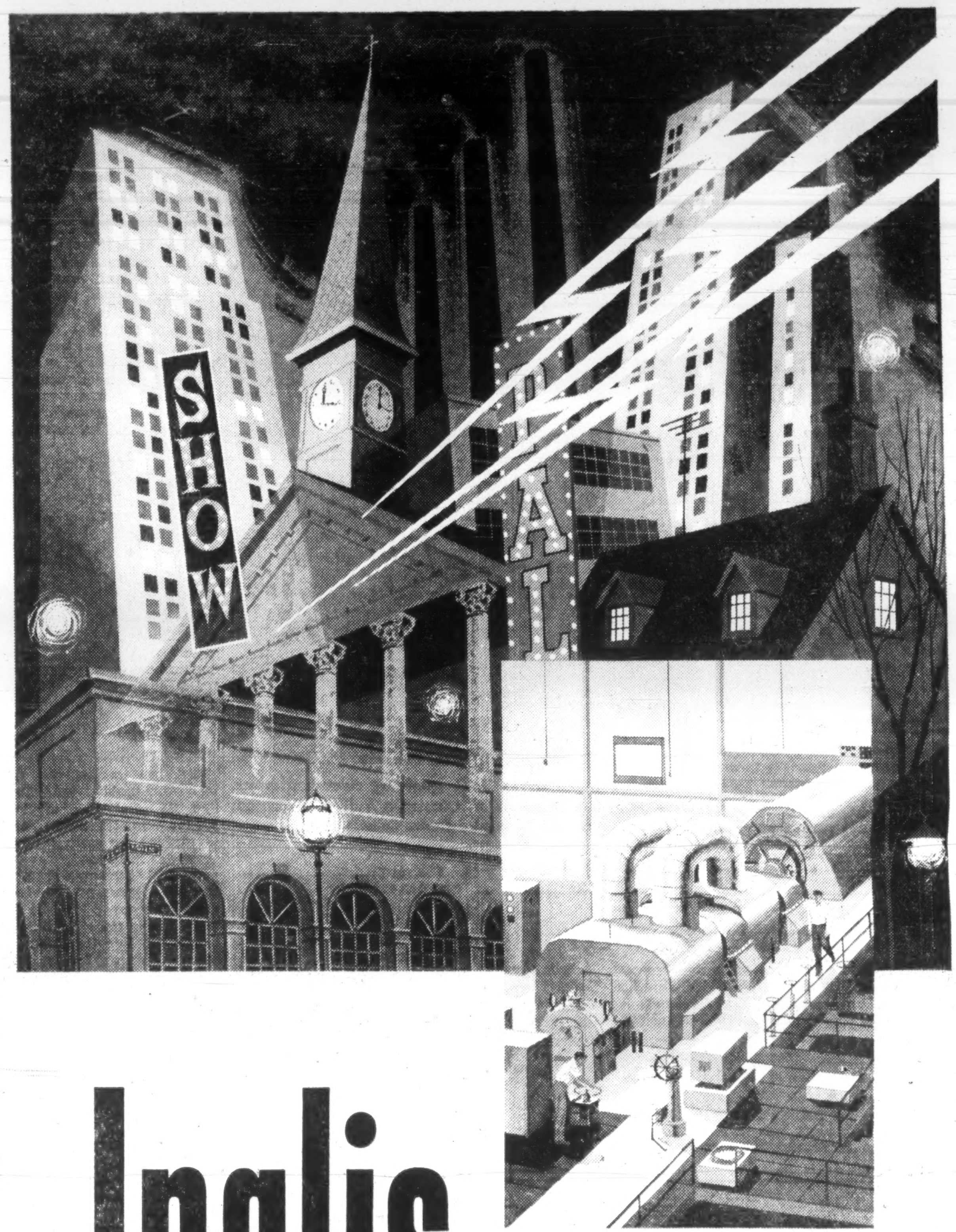

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Inglis builds Canada's first large steam Turbine-Generator for Thunder Bay Electric Plant!

Rapidly expanding industry in the Fort William area has put a heavy burden on old water power sources.

To meet these increasing demands for electrical power, Inglis is building the *first* 100 megawatt Turbine-Generator ever built in Canada . . . a generator, not only large enough to keep Fort William's present industries bright and booming, but large enough to make their prospects for the future even more promising!

In development of power . . . in the development of Canada . . . wherever new and different jobs are being done . . . wherever big, important contributions are being made . . . there, almost certainly you'll find Inglis! It's been that way since Inglis began, over a hundred years ago!

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What You Should Know About the New Europe

1. *European markets are vital to Canada and the rest of the Commonwealth. Here's a Commonwealth-eye sketch of the patterns shaping and what they mean . . .*

By the Intelligence Unit, The Economist, London

For the Commonwealth, the European market is of vital importance.

The major European industrial powers — the U.K., the Six, Scandinavia, Austria and Switzerland — absorb about two fifths of exports from the overseas Commonwealth and provide over one third of its imports.

While the Commonwealth is peculiarly dependent on the U.K. not only in trade but in matters of finance and investment, it looks to Continental Europe as one of the most, if not the most, promising of its export markets.

But the conditions governing trade between the Commonwealth and Europe are changing.

Their relations with each other and with the rest of the world are a matter of great concern to the Commonwealth, all the more so now that Europe is itself dividing into two camps.

The fact that the two camps have come to be known as "the Six" (France, Germany, Italy, Holland, Belgium and Luxembourg) and 'the Seven" (Britain, Sweden, Norway, Denmark, Austria, Switzerland and Portugal) should not be allowed to hide the fact that the Six constitute by far the bigger economic unit both in population and in productive capacity.

Nor should the similarity of their adopted titles be allowed to obscure the differences between them.

● **The European Economic Community of the Six** aims not only at free trade between its member but also at a common external tariff against imports from non-member countries.

● **The European Free Trade Area of the Seven** has no plans to form any such common external tariff and, unlike the EEC, is not to allow free movement of capital and labor amongst its members. The EFTA is, in fact, a much less tightly-knit organization altogether.

It now seems that Britain (deterred by fears that joining the EEC would mean abandoning complete political independence, Commonwealth Preference and a policy of subsidised agriculture) does not intend to try to join the EEC.

From the overseas Commonwealth's point of view, therefore, two vital alternative questions arise.

▶ **First,** exactly how much does the Commonwealth stand to lose because Britain has not associated herself with the EEC, and what will be the effect on the overseas Commonwealth of the alignment of Europe into two groups?

▶ **Secondly,** what consequences would follow for the Commonwealth if Britain did eventually form some kind of association with EEC?

The first question raises many complex issues.

All the same, it seems probable that the security of the adverse effects upon the Commonwealth of a continuing division of Europe has often been exaggerated.

There will, of course, be hard cases.

The EEC's common agricultural policy will give rigorous protection to European farmers against competing imports.

Where the Six are physically capable of meeting their own requirements of temperate foodstuffs they will do so, as for instance in soft wheat and dairy products.

The Commonwealth's small sales of these products to the EEC will diminish to vanishing point.

Where, on the other hand, demand is rising rapidly, agricultural protectionism will not prevent an increase in imports of, for example, meat and Commonwealth exports to the Six may rise dramatically.

Again, the tariff preferences given by the EEC to their associated and overseas territories in Africa could make it more difficult for Commonwealth producers to compete.

Exports of cocoa and other tropical products may be diverted from the Six to other markets where, in conditions of world over-supply, they might be more difficult to sell.

But most Commonwealth exports to the Six consist of raw materials on which the EEC, like the U.K. and other European countries, will levy no duties.

And even where goods **are** liable to duties, the "harm" will often take the form of a lower rate of expansion rather than an actual reduction in sales.

Even here, however, it is important not to ignore the probability that demand for many Commonwealth products will grow more rapidly because economic expansion in the Six is more rapid than it would have been had its members remained separate entities.

The EFTA is a matter of much less concern, for its members will retain their separate tariffs on goods from the rest of the world, though allowing free entry to each other's manufactures.

They are not altering the conditions of trade in foodstuffs and where other goods are concerned there is very little competition between the Commonwealth and producers in the EFTA.

It is true that Canada's forest industries are likely to meet with stiffer competition in the U.K. from Scandinavia, since such preferences as Canada now receives will be extended to Sweden and Norway.

But most Commonwealth exports to the U.K. will be wholly unaffected, much less hurt, by the creation of the EFTA.

It is, unfortunately, equally true that the Commonwealth also stands to **gain** very little from British participation in the EFTA, since this is unlikely to give much of a boost to economic growth in the U.K.

If Britain joined a wider European association, growth might well be stimulated and so the Commonwealth would gain.

The benefits, then, which the Commonwealth as a whole will enjoy as a result of the creation of the EFTA will not compensate it for the absence of any association with the Six.

This brings us to our second question: What consequences would follow for the overseas Commonwealth if Britain did eventually form some kind of association with the Six?

When the question of British association with the EEC first arose one of the chief reasons given by the U.K. government for its refusal to form any close association with it was that this would involve the abandonment of Commonwealth Preference.

It is by no means certain that this is true. There are a number of possible ways in which the Commonwealth connection might be preserved with a Britain which had joined the EEC.

Nor is it true that Commonwealth Preference is any longer a factor of predominant importance in Britain's trade as a whole.

Certain particular commodities, notably overseas Commonwealth manufactures, are affected very definitely, but less than a half of total U.K.-Commonwealth trade secures any preference at all, and even that which does enjoy preference benefits much less than it did, say, 20 years ago.

Commonwealth Preference is, for the Commonwealth's trade with Britain taken as a whole, a factor of declining importance, and there is not much doubt that the decline will continue.

This being so, a crucial issue arises immediately: What form could U.K. association with the EEC take?

A free trade area which would confer on Britain the benefits of free trade with the EEC without any of the responsibilities of membership of the Community has now been ruled out conclusively by the Six themselves.

Similarly, there seems to be little chance at present that Britain will go as far as to merge its tariff entirely with that of the EEC.

But it must be emphasized that there is no economic reason why one of a number of compromises between these two positions should not be adopted.

Trading arrangements could certainly be varied according to the product or commodity concerned.

Separate markets might be retained in some cases. In others Britain might accept the EEC's external tariff so long as duty-free exceptions for some Commonwealth products were allowed.

There can be no doubt that economically a large range of compromises is possible.

More than that, it is fairly certain that on economic grounds alone some such compromises might well be acceptable to all countries concerned.

It is important that such compromises should be studied by the various European governments, and particularly the British.

And the importance of their being studied lies not only in the chance of positive advance being made but also in the opportunity of clarifying the position even if there is no advance.

For after years of disagreement veiled on both sides by economic arguments the division of Europe can now be seen clearly for what it is, a political division.

This fact must be made plain.

For only when this is done will it be clear that the onus of responsibility for a decision whether or not to "join" Europe rests squarely on Britain's shoulders.

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What's New

MEDICAL diagnosis methods may gain from new ultrasound image camera which "looks" into human body without use of X-rays. Developed by a U. K. doctor and an electronics engineer, the unit operates on very high frequency sound waves. It may have uses in industry too, for non-destructive testing of metals and other materials, for examining welding techniques.

* * *

POWDER application to surface of water reservoir means up to 50% less evaporation, developers of new machine say. The unit processes hexadecanol into fine powder which is blown through a tube out of a moving boat. Powder floats on water surface to form thin film, reducing water evaporation.

* * *

TROUBLE getting your barbecue hot? A "quickie hot-pot" is designed for fast lighting without mess, manufacturer says. It's an electrical charcoal lighter—about coffee pot size—which is filled with charcoal and plugged into electrical outlet. After 10 min., red glowing coals should be ready to dump into barbecue.

* * *

FINE WOOD of your desk is visible with clear protective mat, made of transparent plastic. Mat is made with even edges which are ground, beveled and polished—allowing mat to lie flat and smooth. Claims maker: It's able to take abuse that would shatter glass tops.

* * *

PROFITABLE return trip is possible with new convertible auto-carrying trailer. It can haul four cars from factory to dealers, then be converted in 10 min. for return with dry package freight. Conversion involves moving the runners for the second tier of cars to the ceiling of van and folding bottom runners on the trailer's floor.

* * *

DICE game for kindergarten helps young learners gain familiarity with numbers. It consists of a magnetic "goose board" and noiseless dice tray. Dice are thrown by teacher, the results posted on the numbered board by shifting goose-shaped cubes. Purpose: Link the learning of numbers to situations that child can see and understand.

* * *

GO-ANYWHERE scooter is designed for mountain climbers, naturalists, others who travel outdoors in rugged terrain. Lightweight (108 lb.) and sure-footed, it has top speed of 5 mph. There are no springs, you ride on axles. Steel mesh covers all working portion of rear end. It climbs steep slopes and can take shallow streams in stride.

* * *

NEW LITERATURE: All stock signs are listed in new folder from **Supersine Co.,** Toronto . . . Glass and glass products industry of B. C. outlined in booklet from Dept. of Industrial Development, Trade & Commerce, Victoria . . . Facts on Nova Scotia in brochure "Canada's New Area for Development" from the Four County Development Association, Mulgrave, N.S. . . . **Auto-Typist of Canada,** Montreal, issues new edition of "60 Best Business Letters" . . . How silicones help the chemical process industries described in booklet from **Dow Corning Silicones,** Toronto . . . Six-page catalogue describes magnetic gauges from **Peacock Brothers Ltd.,** Montreal.

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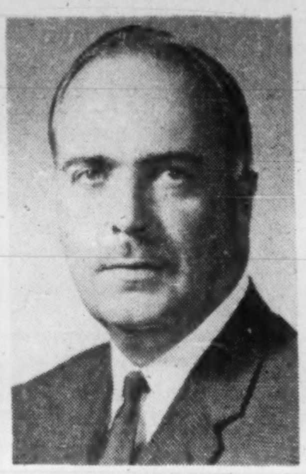
CONSUMERS GLASS EXECUTIVE APPOINTMENT

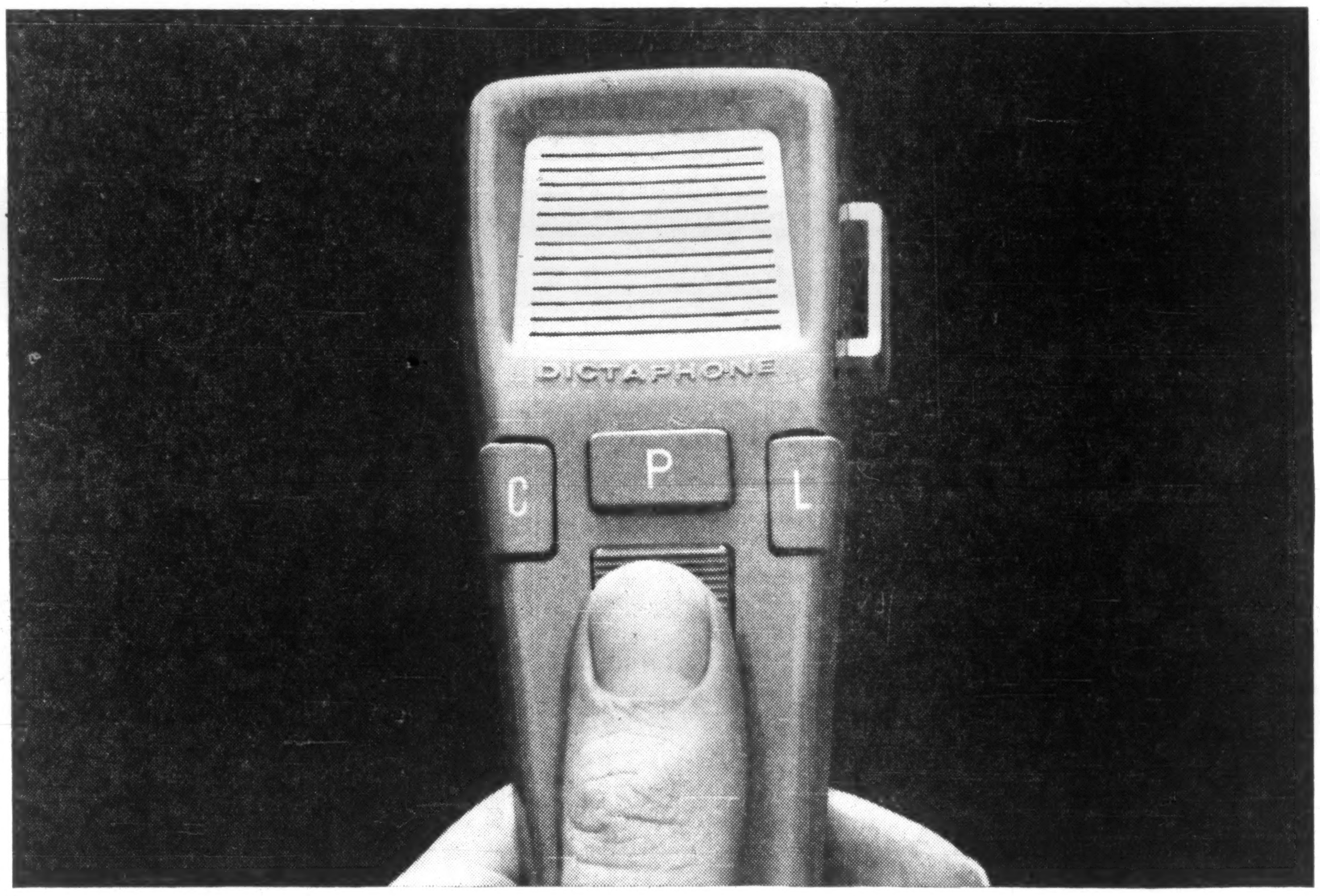
BRIAN HEWARD



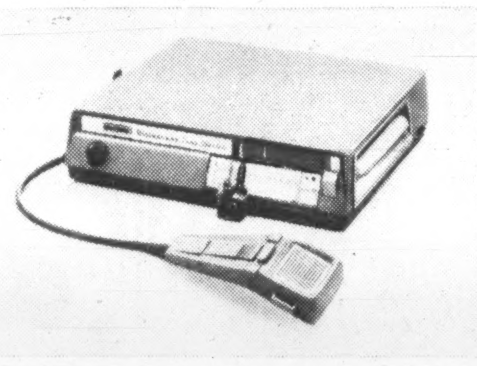
J. DONALD MINGAY

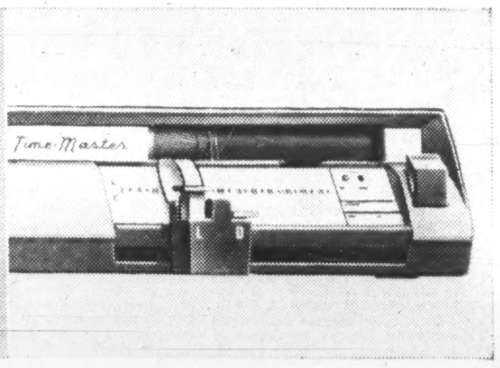
D. RUSSELL GORMLEY

The Directors of Consumers Glass Company Limited announce the following appointments, to take effect as of September 1, 1960: Brian Heward, Chairman of the Board; J. Donald Mingay, President; D. Russell Gormley, Executive Vice-President. Mr. Mingay was elected a Director at the last Board meeting.



If you have a thumb, you can dictate with a Dictaphone TIME-MASTER





Most automatic dictating machine. Four buttons on the microphone control the whole dictating process—dictating, playback, correction and marking letter length. Your thumb does the whole job except for the talking. This simplicity lets you get a great deal more work done in less time, with less effort.

The sound you can see. Unlike recording media on which you can see *nothing,* the red Dictabelt records *visibly.* You see what you say, so you can always find your place. There's NO threading or rewinding, no accidental erasure. And inexpensive, single-use Dictabelt provides unmistakable clarity, faster transcription.

Easier for your secretary. At a glance the simple indication slip tells your secretary how many letters you've dictated and how long each one is. All the corrections are clearly and exactly marked. See for yourself how much time you and your secretary can save. Ask for a free demonstration tomorrow.

THE SHORTEST DISTANCE BETWEEN IDEA AND ACTION . . .

Dictaphone

CORPORATION LIMITED

Dictaphone, TIME-MASTER and Dictabelt are registered trademarks of Dictaphone Corporation.

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Dictaphone Corporation Limited, Dept. FP-2780
204 Eglinton Ave. East, Toronto 12, Ontario

☐ I would like to try the *all new* Dictaphone TIME-MASTER dictating machine without obligation.

☐ I would like to have a copy of your free booklet "How Much Do You Know About Business Letter Writing?", with its helpful hints to dictators and also a copy of your free booklet "Letter Perfect" for my secretary.

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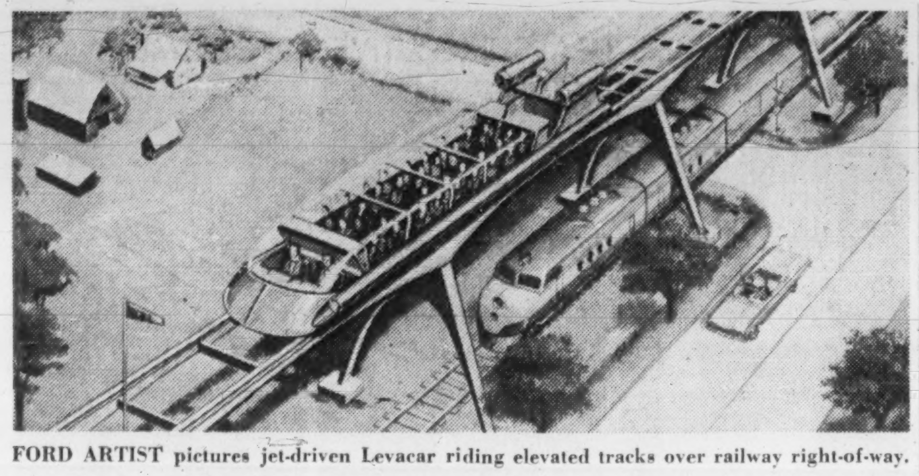
Dictaphone Corporation Limited, 204 Eglinton Ave. East, Toronto 12. In U.S.A. write Dictaphone Corporation, 730 Third Ave., New York 17, New York. In England, Dictaphone Corporation Limited, 17-19 Stratford Place, London, W.1.



FORD ARTIST pictures jet-driven Levacar riding elevated tracks over railway right-of-way.

Levacar Takes 200 Riders City-to-City at 200 mph

By RALPH YOUNG

Will the Levacar fill a gap in public transportation — enabling the railways to meet airline competition in city-to-city travel?

And allowing the airlines to eliminate the usually unprofitable short-haul stops between adjacent cities?

Ford Motor Co. engineers think it will — and they have the world's first working model on display at the Canadian National Exhibition to demonstrate its operation.

Levacar will never be competitive with the private automobile — although original research on it was in the field of engineering and design to meet higher highway speeds.

That research has convinced the engineers that the ultimate speed of wheeled vehicles on a highway is about 150 mph — and it will take much improved roads, revolutionary new automobiles, radically improved tires, as well as automatic vehicle controls such as, possibly, radar, to achieve such speeds.

But out of this research came the concept of riding on air, instead of wheels. So the "Levapad" principle was developed.

It employs perforated plates, in any shape, through which air is forced at about 75 p.s.i.

The Levapads are placed on top and on each side of a rail. Air pressure keeps them separated from the rail by about 1/10th in. — enough that the vehicle rides on an almost frictionless cushion of air. Because the Levapads grip the rails when air pressure is removed, the cars are considered safe in operation.

The experimental model at the exhibition is a one-passenger car, with its own engine developing a jet of air for propulsion, and using an outside source of compressed air for levitation.

In practical applications, the cars will be approximately the shape of an airplane without wings, will carry 20 to 200 passengers, and will ride on one or two rails.

These rails can be as little as 10 in. above ground level, and can be elevated as high as desired.

Because there is practically no friction and little wind resistance, the Levacars can go as fast as 500 mph — with electronic controls since manual control is considered not safe enough at those speeds.

Minimum practical speed is said to be 150 mph with 200 mph a good operating speed.

These vehicles therefore are considered to be useful primarily for inter-city high speed travel, one of the main advantages being that they could be routed into the centre of a city eliminating the slow trip from airport to downtown.

Because the cars are long and narrow, the rails could be laid between the two sides of a divided highway.

Or they could be elevated to run over an existing railroad or highway, at the additional expense of elevation and constructing loading platforms. The cars would operate singly, rather than being hooked up into trains.

Two major railroads in the U.S. are reported studying Levacar application between large cities.

Their concept is that the installation would appeal to travelers willing to pay an extra fare for plane-fast travel to the heart of another city, and therefore would be economically feasible.

I was one of the first men in Canada to operate a Levacar. I can report that it was an incredibly smooth ride, gives the feeling of power and speed.

ANNOUNCEMENT

EDWARDS APPOINTMENT

ROBERT C. SHORT

The appointment of Mr. Robert C. Short to the position of Marketing Manager of Edwards of Canada Limited has been announced by Edwards President R. H. Andrews.

Mr. Short, a member of the American Institute of Electrical Engineers and the Association of Professional Engineers of the Province of Ontario, brings to Edwards a strong sales management background in the Canadian Electrical Industry. He assumed his new duties on August 1st at the Company's Head Office in Owen Sound, Ontario.

THE CITY OF MONTREAL

ISSUE OF DEBENTURES: $5,098,000

CALL FOR TENDERS

The City of Montreal (hereinafter referred to as the "City") hereby calls for tenders for the purchase of $5,098,000 principal amount of its "Debentures for Slum Clearance and Housing" (hereinafter referred to as the "Debentures"), in the denomination of $1,000 each, dated September 15, 1960 and maturing serially in the principal amount of debentures of $255,000 on September 15 of the years 1961 to 1979 inclusive and of $253,000 on September 15, 1980; interest will be payable by equal semi-annual instalments on March 15 and September 15; the nominal rate of interest of each maturity will be determined by the tenderer.

The Debentures maturing September 15 in the years 1961 to 1970 inclusive are not redeemable prior to maturity. The Debentures maturing on September 15 in the years 1971 to 1980 inclusive are redeemable, at the option of the City, in whole or in part by lot, on September 15, 1970 or thereafter, on any interest maturity date prior to maturity upon prior notice of not less than 30 days' nor more than 60 days', at their principal amount and accrued interest to the date of redemption, plus, in case any such debenture is redeemed more than twelve months prior to its stated maturity, a premium equal to ⅜ of one per cent of the principal amount for each successive full twelve months during the period commencing on the date fixed for redemption and extending to the stated maturity of such debenture, but in no case more than three per cent of the principal amount.

The Debentures shall be issued under the authority of By-law No. 2357 as amended by By-laws Nos. 2420, 2476 and 2553 of the City to the extent of $2,232,000 and under the authority of By-law No. 2421 as amended by By-laws Nos. 2477 and 2554 of the City to the extent of $2,866,000.

The proceeds from the sale of the Debentures will be applied to the payment or reimbursement of the City's share in the cost of work done, being done and to be done to execute the Slum Clearance and Housing project contemplated by the Acts 5-6 Eliz. II, c. 23 and 53.

Tenders must be for the purchase of the whole of the Debentures.

Tenders shall specify one nominal rate of interest for each maturity of the issue and one price to be paid to the City for all the Debentures, such rate of interest to be a multiple of ¼ of 1% and not to be less than 4% nor to exceed 5½% and such price not to be less than 95% of the principal amount of the Debentures. The payment must be made in Montreal in lawful money of Canada and the delivery shall be made in Montreal on September 15, 1960.

Each tender must be accompanied by a certified cheque or cheques aggregating $101,960 representing a deposit of 2% of the principal amount of the Debentures payable in lawful money of Canada in Montreal and drawn to the order of the City.

In the case of a tender made by a group of tenderers, the obligations of the tenderers shall be joint and several and each member of the group shall sign the form shown in annex "A" of the form for tender. Each tender must be made on a Form of Tender enclosed in a Tender Envelope, both to be supplied by the City, and must be delivered at the office of the Municipal Sanitary Housing Bureau of the City, Room 104, City Hall, Montreal 1, P.Q., Canada, before 11:00 o'clock A.M., Daylight Saving Time, on August 30, 1960.

Copies of the By-laws of the City authorizing this issue, Form of Tender for Debentures, Tender Envelope, Forms of Debentures with coupons and information relating to the financial position of the City may be obtained upon application to the City Clerk, City Hall, Montreal 1, P.Q.

No prospective tenderer or any affiliate of such prospective tenderer may participate in any other tender for the Debentures.

All tenders for the Debentures will be opened by the Municipal Sanitary Housing Bureau of the City at a meeting to be held in Room 104, City Hall, Montreal 1, P.Q., Canada, at 11:00 o'clock A.M. Daylight Saving Time, on August 30, 1960. Each tenderer may be present or represented at the opening of the tenders.

Subject to the right of the City to reject all tenders, the City will accept the tender which will offer the lowest effective rate of interest for the Debentures.

Tenders will be accepted or rejected before 3:00 o'clock in the afternoon, Daylight Saving Time, on August 30, 1960. Any tender not accepted by such time will be deemed rejected. If two or more tenders are identical as to the lowest effective rate of interest, the City may, at its discretion, accept any one of such tenders.

If a tender is not accepted, the City forthwith will return to the tenderer the cheque or cheques deposited with such tender.

If a tender is accepted, the cheque or cheques deposited by the successful tenderer shall be applied without interest, on account of the purchase price of the Debentures.

The City will pay all expenses in connection with the preparation, issue, execution and delivery of the Debentures, and will furnish all necessary documents to establish the validity of this issue and the authority of the City to create the issue and will provide all financial statements and other information necessary for the purpose of the public offering of the Debentures in Canada.

All other details relative to the conditions of the sale of Debentures and to the respective obligations of the City and of the tenderers are contained in the Form of Tender hereinabove mentioned.

City Hall,
Montreal, August 27, 1960.

THE CITY OF MONTREAL
GABRIEL MORIN
City Clerk.

U.K. Stock Prices Slip Wider Trade Gap Blamed

Special Correspondence

LONDON, Eng. — Although public selling has been small, profit-taking checked the advance in industrial equities.

Sentiment was also affected by the U.K. trade figures for July. These showed that exports fell by £16 million from the June level to £272 million, after seasonal adjustments.

Imports rose slightly so that the "trade gap", seasonally adjusted, increased to over £100 million.

Falling car sales in the U.S. are an important factor in the export performance.

Production generally remains high, particularly on the capital goods side and prices have been holding steady.

The Financial Times industrial ordinary index eased to 326.7 from its recent high point of 330.2. This compares with 1960 extremes of 342.9 (on Jan. 4) and 295.8 (on May 9).

Other sections of the market have been quiet, without any decided trend. Oil shares have been subdued by uncertainties about crude oil prices.

Here are Canadian prices of several leading U.K. securities:

(Supplied by Wisener, Mackellar & Co., Toronto)

	Recent Bid	Recent Ask	Aug. 15 Bid
Industrials	$	$	$
Bowater Paper	8⅜	8⅝	8⅝
Courtaulds	7⅝	8	7⅝
Daily Mirror "A"	1½	1⅞	1⅝
Hawker Siddeley	4	4⅜	3⅞
Hudson's Bay Co.	22½	23	22⅜
Imperial Chemical	8.90	9.10	8.70
Motors			
British Motor Corp.	2⅜	2⅝	2⅝
Ford Motor	13¼	13¾	13⅜
Jaguar	9¼	9¾	9
Oils			
British Petroleum	6½	6⅞	6½
Shell Trans. & Trading	17½	18	18
Royal Dutch	33⅜	33⅞	35¼
Steels			
Colvilles	10½	11	10⅝
Dorman Long	6¼	6¾	6¼
Steel Co. of Wales	6¼	6⅝	6¼
Stewarts & Lloyds	7⅛	7⅝	7¼
John Summers	9⅞	10½	9⅝
United Steel	11⅜	12	11⅛
South African			
Free State Geduld	15¾	16½	15¾
Blyvoors	3.45	3.65	3.40
President Brand	7¾	8⅛	7⅝
Gov't. Bonds	— $ per £100 —		
Convers. 5/71	245	250	244
Transport 3/78/88	161	166	160
Victory 4/76	245	250	244
War 3½ Perpetual	161	166	160

Canadian Carriers Go to Antarctic

Two Canadian-built tracked carriers will be used in the Antarctic research project of the Arctic Institute of North America, called "Operation Deepfreeze '61".

The machines, heavy-duty reconnaissance-type tracked carriers, are made by **Robin-Nodwell Mfg. Ltd.,** Calgary.

Using a floatation principle, the carriers combine tires and an endless track to achieve ground pressures of less than 2 lb. psi when fully loaded.

The two machines were specially insulated and equipped with super heaters and equipment to drive auxiliary power plants.

Anglo-Nfld. Sees Better Second Half

Anglo-Newfoundland Development Co. expects full operation of its newsprint mill at an improved production level in the second half this year.

Output in the first six months of 1960 was lower than a year ago due to shutdown of one machine for rebuilding.

Consolidated net earnings were 6.8% higher than in first half last year at $705,000 (13c per share) vs. $660,000 (12c).

Parent company's sales were 17% higher than last year and net earnings rose to $456,000 from $305,000.

This increase was partially offset by lower earnings of subsidiary **Terra Nova Properties Ltd.** ($308,000 vs. $343,000) and a loss of $59,000 incurred by another subsidiary, **Gaspesia Sulphite Co.,** compared with net profit of $12,000 last year.

Terra Nova Properties has mining interests in Newfoundland, Nova Scotia and elsewhere, and has 50% interest in net profits of **Buchans Mining Co.**

Indications are that Terra Nova's earnings for the full year will compare favorably with 1959, President T. R. Moore says.

Gaspesia Sulphite, which operates a sulphite pulp mill at Chandler, Que., experienced shutdown time early in the year, but is expected to operate at full capacity for the balance of 1960.

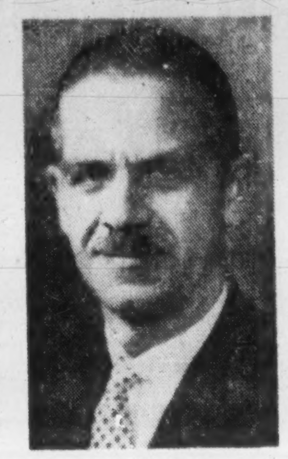
Moore points out that first half earnings are not normally proportionate to full year results.

Consolidated net earnings for full year 1959 were equal to 42c per share.

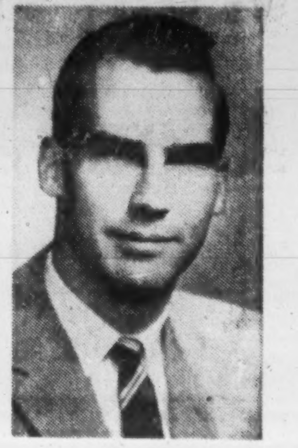
ANNOUNCEMENT

TRADERS FINANCE CORPORATION LIMITED

R. M. WILLMOTT
President



W. W. EVANS
Executive Vice President



D. W. NAYLOR
Assistant to the President

At a recent meeting of the Board of Directors of Traders Finance Corporation Limited, the following changes in the executive were confirmed:

Mr. A. E. Naylor, O.B.E., who has been chief executive officer of the Company since 1944 retired as President. He remains as Chairman of the Board. Mr. Naylor is also Chairman of the Board and President of Canadian General Securities Limited, and an officer and director of a number of other companies.

Mr. Ross M. Willmott was appointed President. Previously Executive Vice President and Treasurer, Mr. Willmott joined "Traders" in 1935. He was named a Director of the Company in 1953.

Mr. Watson W. Evans was appointed Executive Vice President. A Director of the Company since 1956, Mr. Evans was previously Vice President — Operations.

Mr. Donald W. Naylor was appointed Assistant to the President. Formerly Assistant Vice President—Sales, Mr. Naylor has been a Director of the Company since 1957.

Improve Taste Of Mustard Oil

From Our Own Correspondent

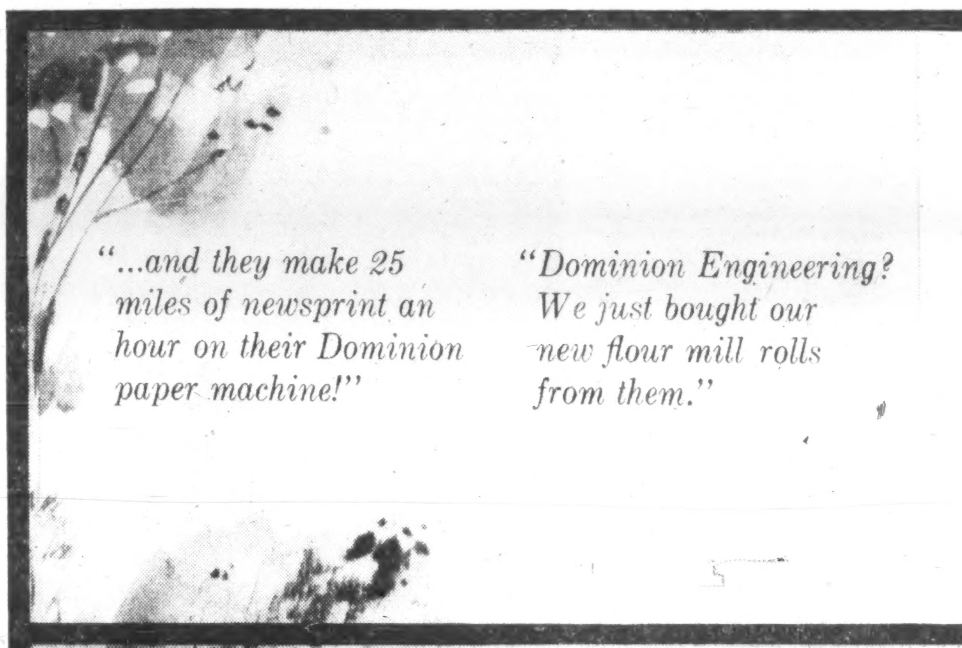
LETHBRIDGE — A process which takes the strong taste out of mustard seed oil may mean a better, more stable income for Alberta farmers.

After years of testing and research, Dr. Kenneth Goering, Montana State College professor, has eliminated the bite in the mustard seed oil. The process also removes the taste from seed residue.

Southern Alberta oil seed crop contractors already have their eye on the process and plans are under way for the establishment of the first mustard seed oil extraction plant in the Lethbridge region.

This year 130,000 acres are under contract in Southern Alberta. Most of the output is destined for export for seasoning and as industrial oil.

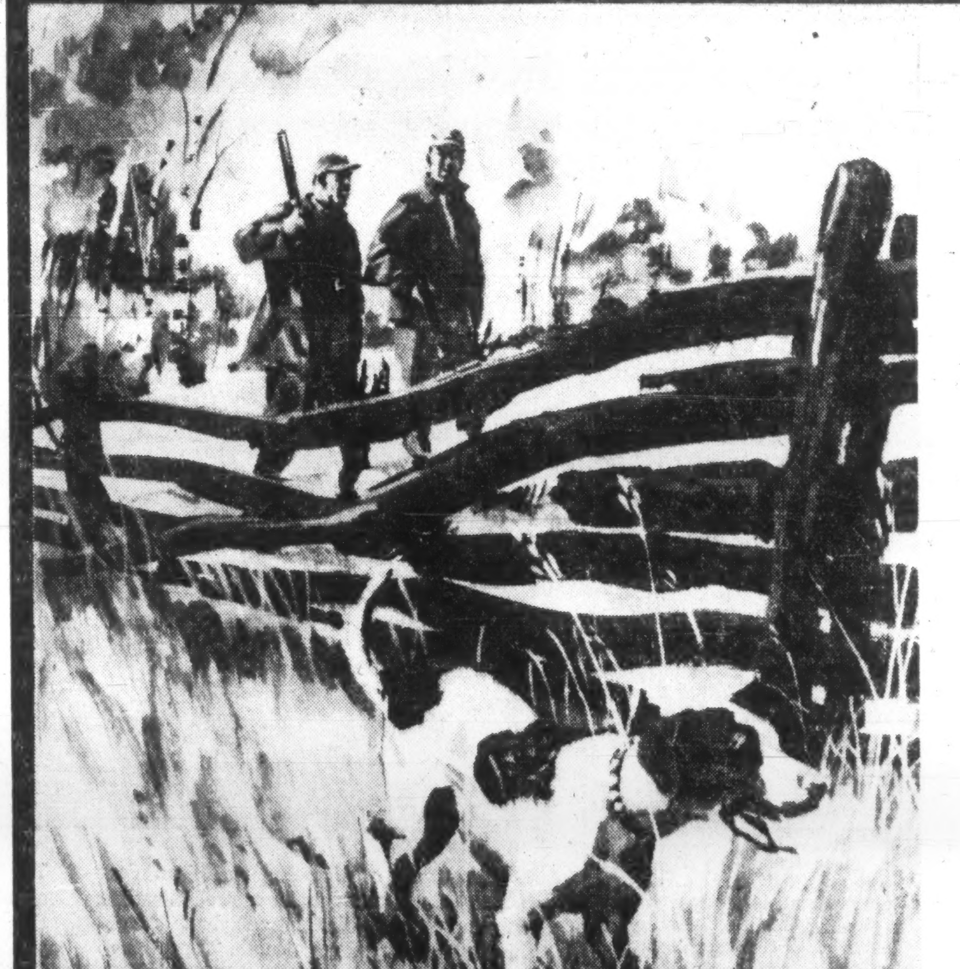
Preliminary tests show that treated mustard oil, under the Goering process, will compete favorably with rape seed oil, soy bean oil and linseed oil for some uses. Use of mustard seed oil in margarine, liquid shortening and synthetic resins is under way.



"...and they make 25 miles of newsprint an hour on their Dominion paper machine!"

"Dominion Engineering? We just bought our new flour mill rolls from them."

...and other Canadian industries know Dominion as makers of hydraulic turbines, diesel engines, power cranes and shovels, mining machinery: the list of Dominion products is almost endless. The reason? DOMINION ENGINEERING'S CONCEPT OF INTEGRATED SPECIALIZATION.



Integrated Specialization at Dominion Engineering offers Canadian Industry the following practical advantages:

FIRST, teams of experienced specialists in the design of machinery and equipment within the broad industrial segments covered by Dominion's seven manufacturing divisions. These divisions were created to utilize Dominion Engineering's capabilities in meeting Canadian demands for industrial equipment.

SECOND, an integrated 75-acre manufacturing plant comprising three foundries, pattern and machine shops, a complete range of machine tools, assembly floors, research, hydraulic, mechanical, and metallurgical laboratories, etc.

THIRD, experienced customer-relations engineers trained in working to the specifications and requirements of Dominion's industrial clients in every field.

In practice, therefore, integrated specialization means total control and responsibility for every piece of equipment produced by Dominion Engineering. Why not take advantage of this practical idea and discuss your requirements with Dominion — soon?

Among other things, Dominion designs and produces the only complete line of power cranes and shovels made in Canada.

DOMINION ENGINEERING
COMPANY LIMITED
Montreal
Toronto
Vancouver

Engineering and Manufacturing Divisions:
PAPER DIVISION
HYDRAULIC DIVISION
INDUSTRIAL DIVISION
DIESEL DIVISION
ROLL DIVISION
POWER CRANE & SHOVEL DIVISION
GEAR PRODUCTS DIVISION

Industrial Growth

Manufacturing plants new to Canada; expansions of existing industry across the nation

MONCTON, N.B.

Hinde & Dauch Ltd., Toronto, subsidiary of **St. Lawrence Corp.**, will start construction of a large corrugated shipping container plant in Moncton immediately. The new plant will contain about 80,000 sq. ft. and will be located on Baig Blvd., in the Atlantic distribution and industrial centre. Future expansion visualizes this unit acting as a central distribution plant for other packaging materials made by Hinde & Dauch and St. Lawrence. Plant will make a full line of corrugated boxes, sheets, pads and partitions.

BARRIE, ONT.

Mansfield Rubber (Canada) Ltd., Barrie, Ont., is building an addition comprising approximately 30,000 sq. ft., which will bring total floor space to around 120,-006 sq. ft. Firm specializes in making tires for some of the largest marketers in Canada. Present expansion, while planned currently for warehousing to eliminate seasonal production peaks, is designed so that it can be adapted readily to manufacturing as requirements demand. Firm will enter the export field this month with first shipment to India. Negotiations are under way for export to other foreign countries, according to L. T. Rosser, president and general manager.

* * *

DeVilbiss (Canada) Ltd., has just completed a 27,000 sq. ft. addition to its Barrie, Ont., plant. Extra room was needed for expansion of infra-red manufacturing and assembly, for machine shop expansion and for finished goods storage. A larger printing department has also been provided for handling increased demand for catalogues, etc. Addition also includes a new technical training centre and classroom for practical training with spray and allied equipment of all types. DeVilbiss is said to be the first manufacturer of spray equipment in Canada to provide this free service to owners or sellers of its equipment.

* * *

BRITISH COLUMBIA

Industrial news from British Columbia:

Projects completed:

Oakland Industries Ltd., Victoria, a new fish canning and freezing plant.

Projects under way:

Selkirk Soft Drinks Ltd., Cranbrook, a $40,000 new soft drinks bottling plant replacing present facilities.

Pacific Meat Co., Vancouver, $1 million expansion of meat packing plant which will double capacity. Completion date is set for late 1960.

Strongheart Ltd., Burnaby, new $200,000 pet foods plant will double capacity of present Vancouver plant. Completion date is in November, 1960.

Macdonald's Consolidated Ltd., Dawson Creek, $70,000 new wholesale foods warehouse, replacing burned out building, will be completed this fall.

Proposed:

Thorn & Co., Vancouver, new industry, plans a 15,000 sq. ft. building to make concrete roof tile. Machinery is on order from England.

OSHAWA, ONT.

Alberto-Culver of Canada Ltd., has started operations in a 10,000 sq. ft. plant in Oshawa' industrial park on Farewell St. Firm will produce men's and women's hairdressing products, hair care and coloring products, hair spray, etc. Started six years ago in Chicago, parent firm will remain entirely separate from the Canadian organization, according to Harold D. Mindlin, Canadian general manager. Mindlin hopes to have a 40,000 sq. ft. plant in from three to five years and double its size shortly. Alberto-Culver will concentrate manufacturing and retail organizations in Oshawa, centralizing former Oakville, Ont., distributing setup and Montreal manufacturing operation.

TORONTO

Precision Welder & Flexopress (Canada) Ltd., Toronto, has expanded its manufacturing facilities to incorporate a complete line of resistance welding transformers. Firm will manufacture, distribute and service Kirkhof transformers, including the Kirkhof Epoxy Pak package type transformers, under license from Kirkhof Manufacturing Corp., Grand Rapids, Mich. In the past, the U.S. firm, said to be world's largest maker of resistance welding transformers, has sold in Canada on a direct basis. Precision Welder manufactures resistance welding equipment. New move will enable Canadian firm to serve Canadian market better, removing problems formerly created by distance and import-export restrictions.

* * *

American Geloso Electronics, Inc., New York, has formed **Canadian Geloso Electronics Ltd.**, with headquarters at 700 Weston Rd., Toronto, as an affiliate organization to sell and promote the Geloso line of products which include dictating machines, tape recorders, amateur transmitters, amateur receivers, microphones, etc. Geloso products are made by **SPA Geloso** of Milan, Italy. Canadian firm will be under managership of A. T. R. Armstrong, well known in the Canadian electronics industry.

Canadian Research Institute has started construction of a new plant and laboratories on Curlew Dr., in Don Mills, Metro Toronto. Building will provide more than triple the present space on St. George St., Toronto, and will include office, warehouse, laboratory and manufacturing facilities. A feature: a precision temperature controlled room for housing electrical standards, allowing measurements to plus or minus 0.001%.

* * *

Volkswagen Canada Ltd. has purchased a 64,000 sq. ft. plant adjacent to its property in Toronto. This added more than 50% to company's floor space and will permit expansion of engine remanufacturing and service facilities and provide additional space for storage of parts.

EXECUTIVE HOMES

Cedar Glenn Developments (Toronto) Ltd., plans to subdivide a land tract at Port Credit, Ont., into 26 residential building lots. Prices begin at $8,500. This is one of the last land sections in or around Metro Toronto that includes registered water lots. They extend for about 350 ft. into Lake Ontario. Architect **Howard Vanderwater** will co-ordinate building designs.

ANNOUNCEMENT

GREENING APPOINTMENT

DOUGLAS R. TAYLOR

S. O. Greening, President, The B. Greening Wire Co. Ltd., announces the appointment of Mr. Douglas R. Taylor as General Sales Manager of the company. In his new capacity Mr. Taylor will coordinate all marketing activities of the company.

Call in

for advice on freighting to or from the U. K.

M.L. have a wealth of information available.

A large, fast fleet sails regularly between Manchester, the heart of England's Industrial North — Montreal, Toronto, the Canadian and U S Lake Ports—and North and South Atlantic Ports.

For details of rates and sailings, prompt advice and special information, please address enquiries to the Import or Export Departments as required.

MANCHESTER LINERS LTD.

St. Anne's Square, Manchester 2, England
Telegraphic Address: "Nauticus" Manchester
Toronto Agents:
Furness, Withy & Co. Ltd., Phone EMpire 6-5621
Montreal Agents:
Furness, Withy & Co. Ltd., Phone Victor 9-1223

Timber Men Visit U.K. To Promote Frame Houses

OTTAWA (Staff) — Twelve leading Canadian timber exporters fly from Toronto to London Oct. 14 for a two-week promotion trip to the U. K.

Trade Minister Churchill says the mission will take advantage of the "intensive promotion campaign" his department has been carrying on in the U. K. on behalf of Canadian timber, especially in the last three years.

"Timber specialists at Canada House in London have embarked on lecture tours and discussed with regional associations of building societies the benefits of timber frame construction, in order to ensure the availability of mortgage funds for this type of housing," Churchill said.

Most U. K. housing is of brick.

Members of the mission, nominated by their trade associations:

- **Douglas St. G. Anderson**, manager, design and technical section, **MacMillan, Bloedel & Powell River Ltd.**, Vancouver, sustaining member of the Canadian Standards Association.
- **Robert Annable**, sales manager, **The East Asiatic Co. (B.C.) Ltd.**, Vancouver, member of the trade extension committee, British Columbia Lumber Manufacturers Association.
- **William E. Bromley**, president and managing director, **Bromley Lumber Ltd.**, Montreal, chairman, wholesale and export bureau, Canadian Lumbermen's Association.
- **R. H. Edgett**, assistant sales manager, **Seaboard Lumber Sales Co.**, Vancouver, member of the trade extension committee, British Columbia Lumber Manufacturers' Association.
- **T. H. H. Fortier**, of **T. H. H. Fortier**, Annapolis Royal, N.S., director of the Nova Scotia Forest Products Association and the Maritime Lumber Bureau.
- **George H. Hainault**, vice-president and general manager, **Canada Flooring Co.**, Montreal, chairman, flooring section, hardwood bureau, Canadian Lumbermen's Association.
- **Donald R. McGillivray**, general manager, **Dominion Plywoods Ltd.**, Southampton, Ont., chairman, hardwood, veneer and plywood bureau, Canadian Lumbermen's Association.
- **W. M. Miller**, president and general manager, **W. H. Miller Co.**, Campbellton, N.B., director, Maritime Lumber Bureau.
- **W. A. Nicholson**, vice-president and general-manager, **A. S. Nicholson & Son Ltd.**, Burlington, Ont., former director of the Canadian Lumbermen's Association and the Canadian Institute of Timber Construction.
- **Dean R. Rogers**, manager, Pembroke division, **Consolidated Paper Corp.**, Pembroke, Ont., chairman, white pine bureau, Canadian Lumbermen's Association.
- **Harold F. Staniforth**, president, **Staniforth Lumber & Veneer Ltd.**, Montreal, president, Canadian Lumbermen's Association.
- **T. M. Stephenson**, manager, lumber sales department, **Fraser Companies Ltd.**, Edmundston, N.B., chairman, spruce bureau, Canadian Lumbermen's Association.
- **J. C. Dunn**, chief, forest products division, Department of Trade and Commerce, Ottawa.
- **E. J. White**, commercial secretary (Timber), Canada House, London.

Diamond Awarded College Contracts

From Our Own Correspondent

FREDERICTON — **Diamond Construction Co.** has been awarded $689,000 in contracts by the University of New Brunswick.

They cover construction of two men's residences to be completed in late 1961.

Each new residence will house 100 men and have library, lounge, game and music rooms.

Company Reports

Financial

MAGNUM FUND LTD., Toronto, consolidated net profit of $996,170 for year ended June 30, 1960, was 38.8% higher than previous year's net of $717,882.

Beginning June 30, 1960, company intends to state investment in wholly-owned subsidiary, **Mextram N.V.**, at its book value at each year-end. It was previously stated at cost. Excess of book value over cost was $1,922,931 at June 30.

President W. E. P. DeRoche reports that increase in fund's liquid position will allow it to invest in special situations resulting from "prevailing economic conditions".

The fund paid brokerage totaling $36,416 in year ended June 30, 1960.

Annual meeting is Sept. 12.

Distribution of investments at June 30 was as follows:

At Approx. Market:	1960	1959
Misc., manuf. & retail	$1,667,400	$1,130,400
Oil & gas	937,800	1,252,800
Mining & refining	864,400	900,500
Utilities	439,500	755,000
Transportation	890,000	735,900
Foods & beverages	435,200	719,400
Steel & iron	66,000	292,600
Investment & banking	.....	267,000
Pulp & paper	373,000	223,400
Chemicals	250,000	281,500
Automobiles	132,000	154,100
Real estate & land	427,3[illegible]0	76,000
Govt	392,400	75,400
	6,875,000	6,864,000
Domicile of Issuer:		
U.S. & Canada	3,260,200	3,039,700
Europe	2,374,000	2,387,9[illegible]0
Central & S. America	1,211,000	1,293,100
Africa	29,800	68,000
Australia	.....	75,300
	6,875,000	6,864,000

CONS. INCOME ACCOUNT*

Years Ended June 30:	1960	1959
Inc from invests.	$297,383	$151,917
Prof. sale of invests.	730,186	598,846
Total income	1,027,569	750,763
Less: Expenses	25,126	24,455
Inc. tax	6,273	8,426
Net profit	996,170	717,882
Earnings per Share and Dividend Record:		
Common	$2.40	$1.73
None paid.		
*Expressed in U. S. funds.		
Shares o/s at June 30:		
Common, $10 par	415,312	415,312

CONDENSED CONS. BALANCE SHEET*

As at June 30:	1960	1959
Cash & s.t. invest.	$1,430,766	$758,755
Accts. rec.	57,859	9,063
Invests. at cost†	6,055,179	5,916,921
Total assets	7,543,804	6,684,739
Total curr. liabs.	23,198	160,303
Capital stock	4,153,120	4,153,120
Contrib. surplus	667,616	667,616
Earned surplus	2,699,870	1,703,700
†Market value	6,875,000	6,864,000
Net assets per sh.	20.08	17.99

*Expressed in U. S. funds.

LAURENTIDE ACCEPTANCE CORP., Montreal, net profit of $743,415 for year ended June 30, 1960, was 16.7% higher than previous year's net of $636,799.

Total volume of business written increased 27.7% to $83.4 million. Retail contracts outstanding at end of June, 1960 totaled 38,628, up 7,382 from a year earlier.

President Roland Therien reports that efforts were concentrated in existing branches over the year. Service is to be extended to other parts of the province this year.

Two new 6½% debenture issues were placed during the year; series H, due 1969 and series I, due 1970. The balance of funds required was provided through sale of short-term notes.

INCOME ACCOUNT

Year Ended June 30:	1960	1959
Net earnings	$3,224,120*	$2,393,078
Less: Deprec.	68,848	68,652
Int. charges	1,791,219	1,085,071
Income tax	620,638	602,556
Net profit	743,415	636,799
Less: Pref. divds.	76,577	77,536
Cl A divds.	146,824	122,005
Cl. B divds.	60,000	60,000
Surplus for year	460,014	377,258

*Includes $250,000 relating to income earned in prior years.

Times All Interest Earned:		
Before deprec.	1.80	2.21
After deprec.	1.76	2.14
Earnings per Share and Dividend Record:		
Preferred	$11.66	$9.65
Paid, 5%	1.00	1.00
Paid, 6%	1.20	1.20
Class A†*	2.73	2.75
Paid	0.60	0.60
Class B†	5.44	4.58
Paid	0.60	0.60
Cl. A & B‡	1.93	1.84

*Based on number of shs. as calculated from divds. paid.
†Before (‡after) participation.

Shares o/s at June 30, 1960:		
5% Pref., $20 par	21,250	22,000
$1.20 Pref., $20 par	42,500	44,000
Class A, n.p.v.	248,347	207,257
Class B, n.p.v.	100,000	100,000

CONDENSED BALANCE SHEET

As at June 30:	1960	1959
Cash	$717,878	$504,548
Notes rec.	49,042,359	34,946,546
Accts. rec.	276,825	234,063
Mkt. sec.†	1,435,250	......
Total curr. assets	51,472,312	35,685,157
Disc. & fin. exp.	472,625	376,670
Prepaid exps.	45,054	29,348
Fixed assets*	215,486	222,086
Total assets	52,205,477	36,313,261
Bk. & s.t. loans	28,716,172	17,418,960
Accts., etc., pay.	2,111,588	1,775,549
Inc. tax pay.	342,804	392,556
S.f. instal. due	224,300	204,500
Total curr. liabs.	31,394,864	19,791,565
Unearned income	3,355,184	2,235,181
Funded debt	11,445,000	9,182,000
Capital stock	3,995,650	3,549,750
Earned surplus	2,014,779	1,554,765
†Mkt. value	1,488,250	......
*After depr. of	263,893	225,168
Working capital	20,077,448	15,893,592

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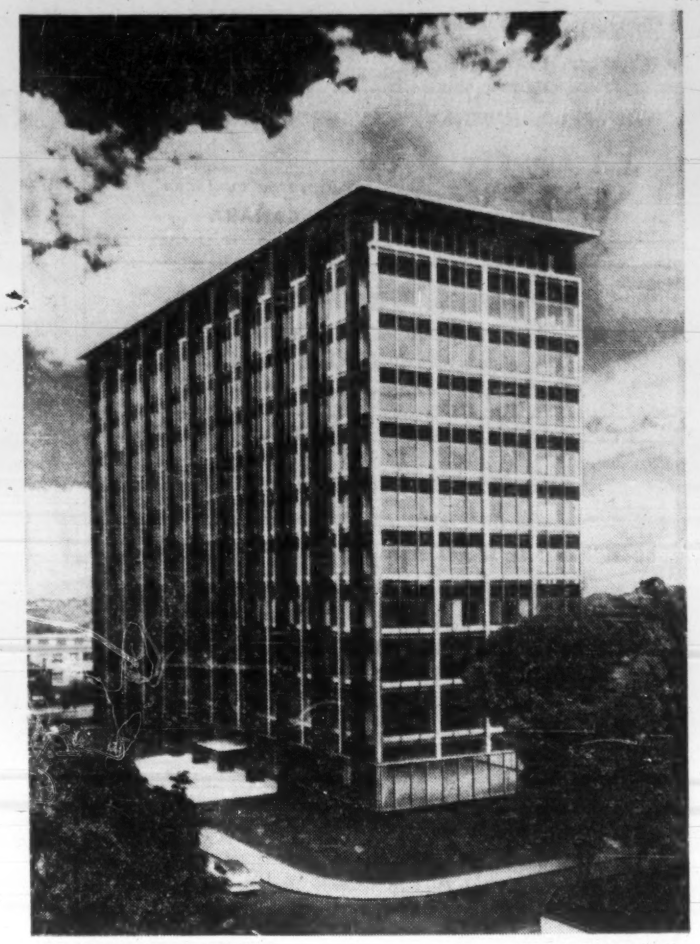

Union Carbide Canada Limited Head Office Building, Toronto, Ont. Architects—Shore & Moffat

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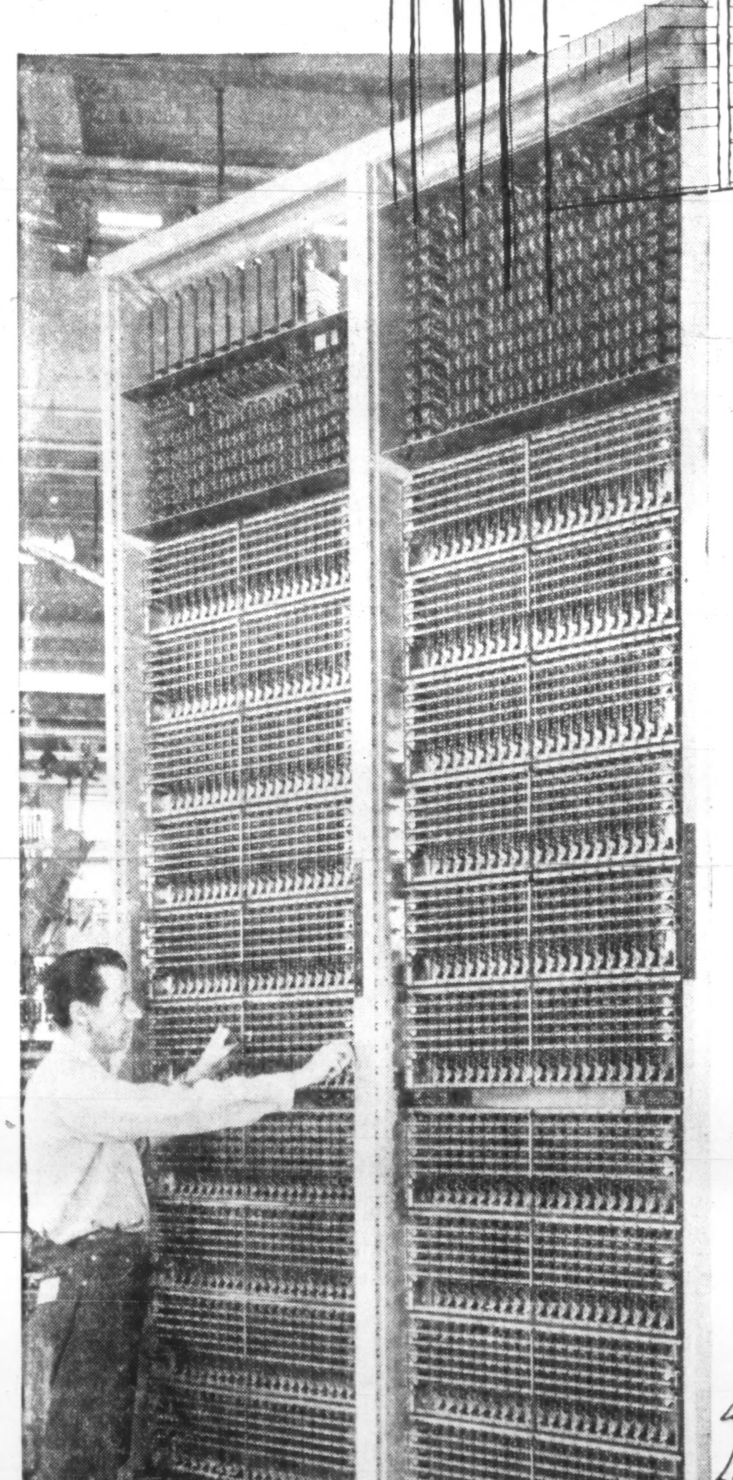

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ONE VIEW OF THE MARKET

Four Life Insurance Companies Retained Common Stocks Ratio

Most major Canadian life insurance companies last year reduced the proportion of their total assets invested in common stocks.

Some companies, however, maintained their ratio of common stocks to total assets virtually unchanged from the previous year. Here are details of 1959 portfolio changes of four such companies, plus one which eliminated its common stocks.

This is the last of a special series reporting on the holdings of individual life insurance companies and their transactions in Canadian preferred and common stocks. Total investment of Canadian life companies in Canadian stocks: $106 million.

Confederation

Confederation Life Association, Toronto, in 1959 reduced its holdings of preferred stocks to 1.8% from 2.4% of total invested assets. Common holdings remained the same at 2.7%. Canadian stocks were carried on its balance sheet at $3,323,344 at Dec. 31, 1959 ($3,942,134 at Dec. 31, 1958).

During the year, in its holdings of Canadian stocks, Confederation Life:

• Liquidated 10 preferred issues and reduced one.

• Increased its holdings of **Loblaw Cos.** class A stock.

• Eliminated eight common stocks from its portfolio and reduced two others.

• Purchased three new common issues and increased five others.

Here are company's holdings of Canadian preferred and common stocks at Dec. 31, 1959, together with changes from the previous year-end:

	Shares held Dec. 31 1959	Change since Dec. 31 1958
Preferred:		
Brazilian Traction	262	....
Nova Scotia L. & P.	nil	—500
Southern Can. Power	165	....
Aluminum Co. of Can.	nil	—9,575
Canada Packers 'A'	1,850	....
Can. Brit. Alum. 'A'	3,000	....
Can. Cottons	nil	—500
Can. Ice Machine 'A'	600	—1,400
Can. Fairbanks-Morse	nil	—2,000
Dominion Textile Co.	2,050	....
Fittings Ltd.	2,000	....
J. F. Hartz 'A'	nil	—2,500
Imperial Flo-Glaze	nil	—1,234
Int. Bronze Powders	nil	—2,000
Loblaw Cos. 'A'	2,600	+1,800
Penmans Ltd.	1,000	....
Price Bros.	nil	—1,432
Sherwin-Williams	nil	—500
Steinberg's 'A'	nil	—1,000
Traders Finance	2,000	....
Common:		
Canada Steamship	1,080	....
C.P.R.	1,052	....
Pembina Pipe	nil	—3,000
Bell Telephone Co.	13,060	+1,632
Brazilian Traction	802 4/20	....
B.C. Power	1,200	—4,300
Calgary Paper	10,000	+8,000
Consumers' Gas Co.	29,166	+4,166
MacLaren Power & Paper	nil	—1,000
N.B. Telephone	5,500	....
N.S. Light & Power	3,750	+3,750
Quebec Natural Gas	2,856	....
Quebec Telephone	1,375	....
Shawinigan W. & P.	8,769	+8,769
Union Gas	5,000	+4,125
Utd Towns Electric	250	....
Atlas Steels	1,000	....
B.A. Oil Co.	1,000	....
Burns & Co.	nil	—3,600
Cdn. Cottons	nil	—1,195
Dominion Bridge	nil	—2,500
Dominion Found. & Steel	2,200	....
Great Lakes Paper	1,350	....
Hudsons Bay O. & G.	3,000	....
Imperial Flo-Glaze	1,234	+1,234
Loblaw Cos. 'B'	nil	—1,800
Page-Hersey Tubes	nil	—2,400
Price Bros.	nil	—1,000
St. Lawrence Corp.	4,000	....
Steel Co. of Can.	3,000	....
West. Copper Mills wts.	100	....
Bank of Montreal	3,000	....
Bank of Nova Scotia	2,340	....
Cdn. Bank of Commerce	2,000	+1,000
Imperial Bank	2,000	—1,000
Industrial Acceptance	3,000	....
Royal Bank	4,032	....
Tor.-Dom. Bank	2,000	....

Company's invested assets at the year-end consisted of 58.6% bonds, 25.8% mortgages, 6.0% policy loans, 4.7% stocks, 3.5% real estate, 0.3% electronics installation and 1.1% other. An analysis of invested assets at the end of each of the last four years shows as follows:

Analysis of Invested Assets

	1959 %	1958 %	1957 %	1956 %
Bonds:				
Government	23.8	23.2	24.1	25.5
Municipal	5.8	5.6	6.2	6.0
Other	29.0	30.0	29.5	28.3
TOTAL	58.6	58.8	59.8	59.8
Mortgages:				
All urban	25.8	24.6	24.4	24.5
Policy Loans	6.0	6.1	6.1	6.0
Stocks:				
(a) Preferred	1.8	2.4	2.5	2.6
(b) Common	2.7	2.7	2.1	2.3
(c) Mutulizat'n	0.2	..	..	..
TOTAL	4.7	5.1	4.6	4.9
Real Estate	3.5	3.7	3.8	3.7
Electronic Installation	0.3	0.4	..	..
Other	1.1	1.3	1.3	1.1
Grand Total	100.0	100.0	100.0	100.0

Maritime Life

Maritime Life Assurance Co., Halifax, N.S., in 1959 reduced its holdings of preferred stocks to 2.86% from 3.44% of total invested assets and eliminated all of its common stock holdings. Stocks were carried on its balance sheet at $445,680 at Dec. 31, 1959 ($1,406,096 a year earlier).

During the year, in its holdings of Canadian preferred stocks, Maritime Life:

• Liquidated 12 preferred issues including **Canadian Breweries Ltd., Dominion Tar & Chemical Co.** and **National Drug & Chemical Co.**

• Purchased two new preferred stocks, **Massey - Ferguson Ltd.** 5½% convertible and the Series B preferred issue of **Consumers' Gas Co.**

Here are company's holdings of Canadian stocks at Dec. 31, 1959, together with changes from the previous year-end:

	Shares held Dec. 31 1959	Change since Dec. 31 1958
Preferred:		
Canada Steamship Lines	nil	—468
Anglo-Cdn. Tel.	200	....
B.C. Elec. Co. 4½%	nil	—75
Do. 4¾%	250	....
Do. 4%	100	....
Do. 5½%	nil	—275
B.C. Telephone Co. 4¾%	200	....
Do. 4½%	25	....
Consumers' Gas Co.	250	+250
Inland Nat. Gas. Co.	500	....
Power Corp.	600	....
Southern Can. Pwr.	470	....
Acadia Atlantic Sugar	250	....
Bathurst P. & P.	350	....
Bowaters Mersey Paper	155	....
Bruck Mills	150	....
Can. Iron Found.	nil	—160
Cdn. Breweries	nil	—500
Cdn. British Alum.	300	....
Can. Celanese	420	....
Cdn. Food Products	100	....
Cdn. Ice Machine	250	....
Cdn. Oil Cos.	55	....
Cdn. Silk Products	400	....
Cousins Ltd.	250	....
Dom. Coal Co.	250	....
Dom. Tar & Chem. Co.	nil	—325
Gen. Steel Wares	nil	—100
G. Weston Ltd.	75	....
J. F. Hartz & Co.	150	....
Malagash Salt Co.	nil	—20
Massey-Ferg. Ltd. 5½%	400	+400
Modern Containers 'A'	nil	—500
Moirs Ltd.	400	....
National Drug & Chem.	nil	—600
P. L. Robertson Mfg. Co.	450	....
Rolland Paper Co.	100	....
Shwartz, W. H. & Sons	200	....
Stanfield's Ltd.	1,100	....
Super Service Stns.	2,000	....
Western Grocers	250	....
Common:		
Traders Finance	nil	—100
United Corps.	nil	—50
C.P.R.	nil	—475
Atlantic Utilities	nil	—290
Bell Tel. of Can.	nil	—1,000
Brazilian Traction	nil	—243
B.C. Power Corp.	nil	—1,100
Gatineau Power Co.	nil	—400
Mar. Tel. & Tel. Co.	nil	1,500
Power Corp. of Can.	nil	—672
Trans-Can. Pipelines	nil	—500
Que. Natural Gas	nil	—142
United Towns Electric	nil	—200
Abitibi Power & Paper	nil	—500
Asbestos Corp.	nil	—475
Atlas Steels	nil	—672
B.A.Oil	nil	—800
Canadian Breweries	nil	—440
Cdn. Celanese	nil	—288
Cdn. Ingersoll-Rand	nil	—300
Cdn. Oil Co.	nil	—500
Cons. M. & S. of Can.	nil	—550
Dome Mines	nil	—700
Dom. Found. & Steel	nil	—1,100
Dom. Oilcloth & Lino.	nil	—200
Ford Motor of Can. 'A'	nil	—100
Fraser Cos.	nil	—500
Hollinger Cons. G.M.L.	nil	—300
Imperial Oil	nil	—500
McIntyre-Porc. Mines	nil	—400
MacMillan & Bloedel 'B'	nil	—500
Montreal Loco. Works	nil	—600
Noranda Mines	nil	—850
Price Bros. & Co.	nil	—375
P. L. Robertson Mfg.	nil	—450
A. V. Roe Canada	nil	—2,002
Steel Co. of Can.	nil	—1,000
Wright-Harg. Mines	nil	—200
Bank of Montreal	nil	—1,050
Bank of N.S.	nil	—2,428
Can. Perm. Mtge.	nil	—345
Cdn. Bank of Comm.	nil	—3,000
Chartered Trust Co.	nil	—1,350
Eastern Can. Svgs. & L.	nil	—840
Eastern Trust Co.	nil	—1,250
Industrial Accept.	nil	—1,200
Nova Scotia Trust	nil	—650
Royal Bank of Canada	nil	—3,600
Royal Trust Co.	nil	—225
Tor.-Dom. Bank	nil	—145
Traders Finance 'A'	nil	—620

Company's invested assets at the year-end consisted of 62.79% bonds, 22.93% mortgages, 6.02% policy loans, 2.86% stocks, 2.91% real estate and 2.49% other. An analysis of invested assets at the end of each of the last four years shows as follows:

Analysis of Invested Assets

	1959 %	1958 %	1957 %	1956 %
Bonds:				
Government	33.62	19.47	17.54	17.07
Municipal	6.84	8.19	7.38	7.23
Other	22.33	26.17	23.58	21.80
TOTAL	62.79	53.83	48.50	46.10
Mortgages:				
All urban	22.93	24.47	27.55	28.08
Policy Loans	6.02	5.94	6.03	5.92
Stocks:				
(a) Preferred	2.86	3.44	4.30	6.29
(b) Common	..	6.63	7.66	7.88
TOTAL	2.86	10.07	11.96	14.17
Real Estate	2.91	3.25	3.54	3.34
Other	2.49	2.44	2.42	2.39
Grand Total	100.0	100.0	100.0	100.0

Excelsior Life

Excelsior Life Insurance Co., Toronto, in 1959 reduced its holdings of preferred stocks to 0.06% from 0.07% of total invested assets. Common holdings were reduced to 5.08% from 5.18%. Stocks were carried on its balance sheet at $5,545,051 at Dec. 31, 1959 ($5,240,546 a year earlier).

During the year, in its holdings of Canadian stocks, Excelsior Life:

• Purchased 5½% preferred and eliminated the 4½% issue of **Massey-Ferguson Ltd.**

• Eliminated four common issues and reduced four others.

• Added five new common issues to its holdings, including **Algoma Steel Corp.** and **Salada-Shirriff-Horsey Ltd.**

• Increased its holdings in 10 common stocks.

Here are company's holdings of Canadian preferred and common stocks at Dec. 31, 1959, together with changes from the previous year-end:

	Shares held Dec. 31 1959	Change since Dec. 31 1958
Preferred:		
Anglo-Cdn. Tel. Co. 4½%	475	....
Cdn. Celanese Ltd. $1.75	300	....
Massey-Ferg. 4½%	nil	—100
Massey-Ferg. Ltd. 5½%	370	+370
Common:		
Abitibi P. & P. Co.	5,000	....
Algoma Steel Corp.	3,000	+3,000
Aluminium Ltd.	nil	—6,000
Bank of Montreal	3,937	+437
Bank of N.S.	3,600	+600
Banque Can. Nationale	2,000	+2,000
Bell Tel. Co.	1,000	+1,000
B.A. Oil Co.	4,500	....
B. C. Power Corp.	4,400	....
Can. Perm. Mtge. Corp.	5,000	—28
Cdn. Bank of Commerce	5,000	+800
Cdn. Breweries Ltd.	6,000	....
Cdn. Oil Cos. Ltd.	8,000	....
Cons. Finance Co. "A"	nil	—1,000
Cons. Min. & Smelt. Co.	5,000	....
Cons. Paper Corp.	5,000	....
Distillers Corp.-Seagrams	3,000	....
Dome Mines Ltd.	2,000	....
Dom. Found. & Steel Ltd.	3,500	—20
Dom Glass Co.	3,500	....
Dom. Stores Ltd.	6,000	+1,000
Dom. Tar & Chemical	3,000	+3,000
Falconbridge Nickel Ltd.	2,000	....
Gatineau Power Co.	5,000	....
Great Lakes Paper Co.	1,000	....
Hollinger Cons. Gold Mines Ltd.	2,000	....
Home Oil Co. "A"	nil	—252
Imperial Bank of Can.	3,000	+500
Imperial Invest. Corp.	625	+625
Imperial Oil Ltd.	4,200	....
Imperial Tobacco Co.	4,000	....
Indust. Accept. Corp.	1,500	....
Int. Nickel Co.	5,000	....
Interprov. Pipe Line Co.	5,000	....
Kerr-Addison G. M. Ltd.	2,000	....
MacMillan & Blo. Ltd. 'B'	1,950	—50
Mari. Mining Corp. Ltd.	nil	—3,750
Massey-Ferguson Ltd.	5,000	+1,000
Moore Corp.	6,000	*
Henry Morgan & Co.	2,500	+500
National Trust Co.	1,000	....
Noranda Mines Ltd.	2,000	....
Page-Hersey Tubes Ltd.	6,000	....
Powell River Co.	1,000	*—2,000
Power Corp.	1,000	....
Price Bros. & Co.	2,000	....
Quebec-Telephone	1,375	....
Royal Bank	5,000	....
St. Lawr. Corp.	3,000	....
Salada-Shirriff-Horsey	4,500	+4,500
Shawinigan W. & P. Co.	7,875	....
Simpsons Ltd.	2,000	....
Steel Co. of Can.	5,000	....
Steep Rock Iron Ltd.	4,000	....
Steinberg's Ltd. 'A'	2,000	....
Supertest Pet. Corp.	5,000	....
G. Tamblyn Ltd.	3,000	+1,000
Tor.-Dom. Bank	7,200	....
Toronto Gen. Tr. Corp.	3,750	....
Trans.-Canada P. L. Ltd.	3,000	....
H. Walker-G. & W. Ltd.	6,000	....
George Weston Ltd. 'A'	2,000	....

*Adjusted for stock split.

Company's invested assets at the year-end consisted of 48.42% bonds, 36.92% mortgages, 6.00% policy loans, 5.14% stocks, 3.28% real estate, 0.24% other. An analysis of invested assets at the end of each of the last four years shows as follows:

Analysis of Invested Assets

	1959 %	1958 %	1957 %	1956 %
Bonds:				
Government	16.83	15.23	17.18	17.87
Municipal	8.67	8.64	9.25	9.22
Other	22.92	26.10	26.13	26.81
TOTAL	48.42	49.97	52.56	53.90
Mortgages:				
Farm	0.01	0.01	0.02	0.03
Urban	36.91	35.97	33.71	32.66
TOTAL	36.92	35.98	33.73	32.69
Policy Loans	6.00	5.89	6.18	5.92
Stocks:				
(a) Preferred	0.06	0.07	0.11	0.09
(b) Common	5.08	5.18	4.66	4.53
TOTAL	5.14	5.25	4.77	4.62
Real Estate	3.28	2.48	2.53	2.67
Other	0.24	0.43	0.23	0.20
Grand Total	100.0	100.0	100.0	100.0

Manufacturers

Manufacturers Life Insurance Co., Toronto, in 1959 increased its holdings of preferred stocks to 3.1% from 1.9% of total invested assets. Common holdings remained the same. Canadian common stocks were carried on its balance sheet at $787,483 at Dec. 31, 1959 ($627,129 at Dec. 31, 1958).

During the year, in its holdings of Canadian stocks, Manufacturers Life:

• Liquidated its preferred stock holdings of **Fittings Ltd.** and **Imperial Flo-Glaze Paints.**

• Increased its holdings of **Massey-Ferguson Ltd.** 5½% convertible preferred.

• Purchased three new common stock issues, including **Great Lakes Power Corp.**

• Eliminated three common stocks from its portfolio and reduced two others.

Here are company's holdings of Canadian preferred and common stocks at Dec. 31, 1959, together with changes from the previous year-end:

	Shares held Dec. 31 1959	Change since Dec. 31 1958
Preferred:		
Biltmore Hats	1,384	....
Bruck Mills 'A'	5,300	....
Cdn. Food Products	500	....
Cdn. Ice Machine 'A'	2,000	....
Fittings Ltd. 'A'	nil	—6,925
Gordon MacKay & St. 'A'	5,000	....
Imperial Flo-Glaze	nil	—1,225
Massey-Ferguson	685	+685
Common:		
Abitibi P. & P.	8,500	—1,000
Cdn. Breweries	12,725	—1,675
Dom. Bridge	nil	—4,450
Great Lakes Power	4,000	+4,000
Greater Wpg. Gas	nil	—9,000
Henry Morgan & Co.	5,000	....
Imperial Flo-Glaze	1,225	+1,225
St. Lawrence Corp.	14,500	....
Steinberg's Ltd.	nil	—1,000
Thorncliff Park	4,000	+4,000

Company's invested assets at the year-end consisted of 55.2% bonds, 28.9% mortgages, 4.9% policy loans, 4.3% stocks, 4.7% real estate and 2.0% other. An analysis of invested assets at the end of each of the last four years shows as follows:

Analysis of Invested Assets

	1959 %	1958 %	1957 %	1956 %
Bonds:				
Government	14.5	11.9	10.9	12.6
Municipal	5.3	6.3	7.5	8.7
Other	35.4	38.9	39.7	39.7
TOTAL	55.2	57.1	58.1	61.0
Mortgages:				
Farm	..	0.1	0.1	0.2
Urban	28.9	27.8	27.0	24.2
TOTAL	28.9	27.9	27.1	24.4
Policy Loans	4.9	4.9	4.8	4.7
Stocks:				
(a) Preferred	3.1	1.9	2.0	2.6
(b) Common	1.2	1.2	2.6	3.4
TOTAL	4.3	3.1	4.6	6.0
Real Estate	4.7	4.5	3.6	1.8
Other	2.0	2.5	1.8	2.1
Grand Total	100.0	100.0	100.0	100.0

Montreal Life

Montreal Life Insurance Co., Montreal, in 1959 reduced its holdings of preferred stocks to 1.2% from 1.5% of total invested assets. Common stocks held remained the same at 2.9%.

During the year in its holdings of Canadian stocks, Montreal Life:

• Eliminated two preferred issues, **Massey - Ferguson Ltd.** 4½% convertible and **A. J. Freiman Ltd.**

• Purchased Class "B" preferred stock of **Consumers' Gas Co.**

• Added one new common stock to its holdings and increased two others.

• Liquidated two common issues and decreased one other.

Here are company's holdings of Canadian preferred and common stocks at Dec. 31, 1959, together with changes from previous year-end:

	Shares held Dec. 31 1959	Change since Dec. 31 1958
Preferred:		
B.C. Elec. Co.	250	....
Cdn. Utilities Ltd.	250	....
Consumers' Gas Co. 'B'	250	+250
No. Que. Power Co.	200	....
Northwestern Util. Ltd.	100	....
Power Corp. of Can.	500	....
Aluminum Co. of Can.	395	....
Canada Foils Ltd. 'A'	1,500	....
Can. Iron Foundries	50	....
Can. Malting Co.	175	....
Cdn. Celanese Ltd., $1.00	30	....
Cdn. Celanese Ltd., $1.75	1,500	....
A. J. Freiman, Ltd.	nil	—250
Hamilton Cotton Co.	200	....
Hubbard Felt Co. 'A'	1,250	....
London Hosiery Mills 'A'	4,000	....
Massey-Ferguson 4½%	nil	—380
Molson's Brewery 'A'	‡3,600	....
Monarch Knitting Co.	300	....
Rolland Paper Co.	300	....
H. Simon & Sons	400	....
N. Slater Co.	200	....
Somerville Ltd.	200	....
Industrial Accept. Corp.	400	....
United Corp. 'A'	2,000	....
Common:		
C.P.R.	2,000	....
Bell Tel. Co.	2,650	+350
B.C. Power Corp.	275	....
Great Lakes Power Corp.	375	+375
N.S. Light & Power Co.	4,125	+825
Que. Natural Gas Corp.	284	....
Shawinigan W. & P. 'A'	1,875	....
Abitibi P. & P. Co.	2,500	....
B.A. Oil Co.	500	....
Can. & Dom. Sugar Co.	407	—593
Can. Iron Foundries	1,650	....
Can. Malting Co.	200	....
Cdn. Breweries Ltd.	1,000	....
Cdn. Celanese Ltd.	1,518	....
Cdn. Oil Co.	600	....
Cons. Min. & Smelt. Co.	3,500	....
Cons. Paper Corp.	3,000	....
Distillers Corp.-Seagrams	1,000	....
Dome Mines	2,000	....
Dom. Found. & Steel	2,970	....
Dom Tar & Chem. Co.	1,600	....
Fraser Cos.	750	....
Hudson Bay M. & S. Co.	500	....
Imperial Invest. Corp. 'A'	1,200	....
Imperial Tobacco Co.	1,500	....
Industrial Accept. Corp.	1,600	....
Milliken Lake Uran. Mines	nil	—1,000
Molson's Brew. Ltd. 'B'	‡2,000	....
Noranda Mines	2,000	....
Price Bros. & Co.	2,000	....
Stanrock Uran. Mines Ltd.	nil	—875
H. Walker-G. & W. Ltd.	‡2,000	....

Company's invested assets at the year end consisted of 44.5% bonds, 38.7% mortgages, 5.9% policy loans, 4.1% stocks, 5.1% real estate and 1.7% other. An analysis of invested assets at the end of each of the last four years shows as follows:

Analysis of Invested Assets

	1959 %	1958 %	1957 %	1956 %
Bonds	44.5	44.3	41.8	41.9
Mortgages	38.7	38.3	40.4	43.1
Policy Loans	5.9	6.0	6.0	5.7
Stocks:				
(a) Preferred	1.2	1.5	1.6	1.7
(b) Common	2.9	2.9	3.0	3.2
TOTAL	4.1	4.4	4.6	4.9
Real Estate	5.1	5.4	5.7	2.9
Other	1.7	1.6	1.5	1.5
Grand Total	100.0	100.0	100.0	100.0

Auto Electric Net Down 39%

Auto Electric Service Co., Toronto, unaudited net profit for the six months ended June 25, 1960, was $128,653, 38.8% lower than $210,324 in the corresponding 1959 period.

Earnings were equal to 33c per share (54c last year).

Chairman G. J. Beattie points out that 1959 produced the highest sales and profits in company's history and exceeded expectations. Net for the full year was $394,538 ($1.01 per share, adjusted for stock split).

"While we do not expect 1960 volume and profits to equal those of 1959, we are looking forward to a good profitable year," Mr. Beattie says.

First quarter, 1960, was a period of severe winter weather with a consequent reduction in use of vehicles. Company's customers, faced with reduced demand for repair parts, "lived" on substantial inventories built up during 1959.

Early in April, with improved weather conditions and increased use of vehicles, customers' inventories were liquidated and improved sales resulted.

Auto Electric's working capital increased by 6.2% during the 12 mos. ended June 25, 1960, to $2,032,106.

DISTRIBUTE DIESELS

Perkins diesel engines will be distributed in Canada by **Chrysler** marine and industrial engine dealers, as a result of a recent agreement between F. Perkins Ltd., Peterborough, Eng., and Chrysler Corp. These dealers also will handle servicing. Perkins engines are used in some diesel trucks made by Chrysler in the U. S.

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Falconbridge Profit Soars; Metal Sales Up, Costs Down

• *Earns $2.06 share in first half (vs. 71c) . . .*
• *Zeller's shows gains; outlook encouraging . . .*

By NESTOR

FALCONBRIDGE NICKEL MINES is well on the way to establishing new sales and earnings records this year.

Net profit for the first six months of 1960 was $7,753,709 ($2.06 per share), more than 2½ times the $2,676,903 (71c) earned in first half 1959 and 34% above $5,770,762 ($1.54) in the second half of last year.

Company's best year to date was 1957, when net profit was $9,953,479 ($2.65 per share) on gross revenue of $57.9 million.

Higher operating profit in the latest period resulted from increased metal deliveries and improved operating costs, together with higher average copper prices.

President H. J. Fraser also points out that earnings in the latter part of the six-month period benefited from a reduction in the premium on the Canadian dollar, although the average rate for the first half of the year was about the same as a year earlier.

In addition, a high proportion of tax-free production in the half year (e.g. from the Fecunis mine, which accounts for nearly 30% of total mill feed), kept estimates of taxes to a very low level. Provision in the latest period was over $1 million less than in corresponding 1959 period.

Here are income details:

	First Half 1960 $	First Half 1959 $
Operating profit	15,721,334	12,643,805
Net non-op. revenue	697,520	256,500
Development, preprod. exp.	1,729,486	2,244,200
Depreciation	3,256,098	4,133,354
Exploration	664,299	685,573
Int. on liabilities	605,262	710,275
Income taxes (est.)	910,000	1,950,000
Depreciation, special	1,500,000	1,500,000
Net earnings	7,753,709	2,676,903
Earnings per share	$2.06	71c

First half production at both the mining and reduction division and at the refining division was at a level slightly in excess of 32 million lb. of nickel with accompanying metals.

Demand for nickel in the U. S. has reflected the lower tenor of business activity, Mr. Fraser states. However, demand in Europe, where Falconbridge has its chief commercial markets, was very strong throughout the period.

Special income earned under long-term nickel contracts continues to be substantial although the amount earned this year was less than in first half, 1959.

Company is getting under way with a $25 million expansion and diversification program, which includes an iron recovery project with an annual treatment capacity of 100,000 tons; further development of the important Strathcona orebody; and a program of plant expansion and refinement (details, p 35).

Mr. Fraser says that these projects will make heavy demands on working capital ($37.4 million at June 30) during the second half of this year for bond obligations and anticipated higher capital expenditures.

It is expected that development of the indicated orebody at Strathcona will take several years. Production will be timed to offset loss of output from the Levack and McKim mines, which have short lives ahead of them.

Falconbridge is continuing exploration in the Sudbury district, in northern Manitoba and in a limited way in the Dominican republic.

At recent market price of $33½, common stock is 52% above UV level ($22), could rise 49% before reaching OV level ($50). Price is 14.9 times 1959 earnings of $2.25 per share. Yield is 4.48% at indicated annual dividend rate of $1.50 per share. Price this year has ranged between a high of $33⅞, a low of $27½.

* * *

ZELLER'S LTD. had net earnings of $555,351 or 60c per share for the six months ended July 31. That compares with $540,260 or 58c for the same period of 1959.

Sales for the period were $24,319,000, an increase of $883,000 or 3.8%.

Company reports that the sales and earnings figures were "not quite what had been hoped for from the first year of the 'Soaring Sixties', but running slightly ahead of the department store average."

The outlook for the second half remains encouraging, though competitive, a company executive told **FP** this week. In the department store business, he pointed out, it is the last quarter that really tells the sales and earnings story.

In the year ended Jan. 31, 1960, the chain took in record sales of $53,340,543, compared with $49,830,436 for the previous full year. That produced net earnings of $2,009,117 or $2.40 per share. The year before net earnings had totaled $1,888,409 or $2.23.

Zeller's is undergoing an extensive expansion program. During the first half it opened three new stores, two in Nova Scotia at Truro and Halifax and one at Don Mills, Ont.

Plans call for the opening of two more in September, at Scarborough, Ont. and Ville La Salle, Que.

In October a store will be opened at Duvernay, Que., and in November another five will follow at Burnaby and Whalley in B.C., Merritton and Trenton in Ontario and Sherbrooke, Que.

In all by the end of the present fiscal year on Jan. 31 company will be operating 80 stores.

An indication of future expansion plans was the appointment recently of resident real estate men in Vancouver, Toronto and Montreal whose job it is to find new properties suitable for Zeller's stores.

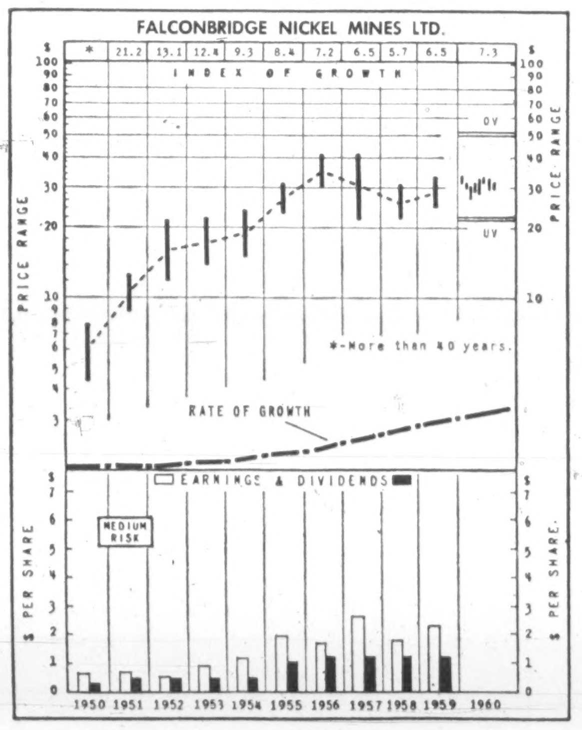
Last year the chain introduced credit buying at 20 of its stores and announced plans to offer it at 35 more during this year.

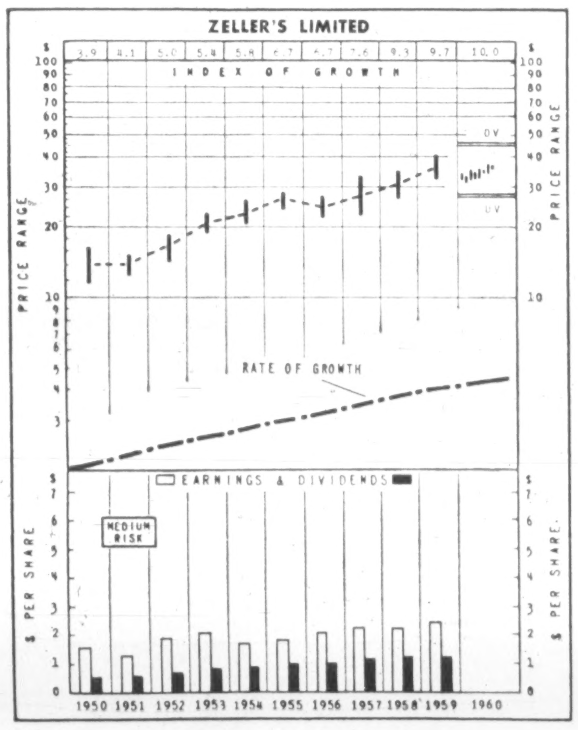
The program has been more successful than company predicted and the rate of introduction has been speeded up. By the half way mark in the year it was already being offered at 55 outlets and will be available at 65 by the end of the year.

Capital expenditures for 1960 are set at around $2 million. This will be used almost exclusively for the purchase of fixtures and improvements on present facilities.

Company has plans to raise money through sale and leaseback agreements. It has some $3.5 million worth of properties to sell when it considers the market is right.

At recent market price of $35, common stock is 25% above UV level ($28), could rise 29% before reaching OV level ($45). Price is 14.6 times 1959 earnings of $2.40 per share. Yield is 4.00% at indicated annual dividend rate of $1.40 per share. Price this year has ranged between a high of $37, a low of $31½.





How to Read Nestor's Special Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year A figure at 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high, low and mean price. Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS: Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjudged as underestimating or overestimating its future rate of growth. A stock showing a fast growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make

Without these UV or OV levels a current quotation of, say 55 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figures in any given year.

RATE OF GROWTH: The rate as based on Nestor's tests at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years and in most instances the trend of dividend payments.

**Background and principles behind the selection by Nestor were discussed in special article in FP Jan. 10, 1953. A limited number of reprints are available on request.*

Here Are Bank of Montreal New Staff Appointments

D. W. CASEY, manager, Calgary, to be assistant general manager in charge of Manitoba, Saskatchewan and Alberta division, Winnipeg, succeeding R. L. Bailey, retiring.

J. B. JONES, manager, Lethbridge, Alta., to be manager, Calgary.

C. L. WITTMAN, assistant superintendent, Manitoba and Saskatchewan district, Winnipeg, to be manager, Lethbridge, Alta.

R. C. HOWARD, manager, Zweibrucken, Germany, to be special representative, Calgary.

R. G. FRY, accountant, Seigneurs and Notre Dame, Montreal, to be manager, Hudson, Que.

P. E. THOMPSON, manager, Whitehorse, Y.T., to be manager, North Vancouver, succeeding C. D. H. MOORE, retired.

J. O. BOYCE, manager, Ashcroft, B.C., to be manager, Whitehorse.

J. G. MOSS, assistant general manager's department, Vancouver, to be manager, Ashcroft, B.C.

G. K. ROBERTSON, accountant, Welland, Ont., to be manager, Lansdowne, Ont., succeeding S. PUTTENHAM, retiring.

F. M. COFFIN, Cook and Quadra Streets (Saanich), Victoria, to be manager, Royal Oak, B.C.

F. B. SPEREMAN, accountant, Aurora, Ont., to be manager, St. Clair Street and McNaughton Avenue, Chatham, Ont.

E. J. BROWN, an assistant superintendent, Manitoba and Saskatchewan district, Winnipeg, to be senior assistant superintendent.

J. S. ALLAN, manager, mortgage department, Manitoba and Saskatchewan district, Winnipeg, to be an assistant superintendent, Manitoba and Saskatchewan district, Winnipeg.

J. C. McLEOD, manager, Saltcoats, Sask., to be manager, Dryden, Ont.

H. W. GOLDIE, manager, Dryden, Ont., to be manager, Mountain Avenue and McPhillips Street, Winnipeg.

A. W. THOMPSON, assistant general manager's department, Toronto, to be assistant manager, Hamilton, Ont.

W. F. BLACKWELL, manager, Mountain Ave. and McPhillips St., Winnipeg, to be manager, Saltcoats, Sask.

J. S. HACKETT, accountant, St. Catharines, Ont., to be manager of a new branch to be opened shortly at Dundas St., Galt, Ont.

H. A. FARRANT, accountant, Dupont St. and Symington Ave., Toronto, to be manager of a new branch to be opened shortly at St. Clair Ave. and Robina St., Toronto.

I. L. BENSON, assistant manager, Port Arthur, Ont., to be manager of a new branch, to be opened shortly at Inter-City, Port Arthur, Ont.

J. A. IVEY, assistant general manager's department, Winnipeg, to be assistant manager, Port Arthur, Ont.

R. B. WATSON, accountant, Queen and Portland, Toronto, to be manager of a new branch to be opened shortly at Dufferin St. and Celt Ave., Toronto.

G. T. STEENSON, assistant manager, Haney, B.C., to be manager of Courtenay, B.C.

A. C. KIESSLING, manager, Courtenay, B.C., to be manager of a new branch of the Bank of London and Montreal to be opened shortly at San Fernando, Trinidad.

D. S. PREST, accountant, 1149 Granville Street, Vancouver, B.C., to be assistant manager, Haney, B.C.

D. N. CAMERON, accountant, Sudbury, Ont., to be manager of a new branch to be opened shortly at Cooksville, Ont.

I. H. BALDRY, accountant, St. Peter and St. James, Montreal, to be assistant manager, University and St. Catherine, Montreal.

F. M. BISHOP, accountant, Wallaceburg, Ont., to be manager of a new branch to be opened shortly at Islington Ave. and Elmhurst Dr., Rexdale, Ont.

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ANNOUNCEMENT

HUGH J. HODGINS

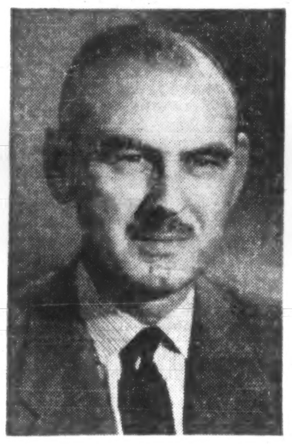
Election of Hugh J. Hodgins to the Board of Directors, Crown Zellerbach Canada Limited, is announced. Mr. Hodgins, vice-president, timber, for the company, first joined Crown Zellerbach Canada in 1944. Between the years of 1950-57 he left the company to operate his own forestry consulting business. Mr. Hodgins was born in Saskatchewan and educated at the University of British Columbia. He is also president of the Canadian Institute of Forestry; president of the Western Forestry and Conservation Association; director of the Canadian Forestry Association, and director of the B.C. Loggers' Association.

BILLY BEE ACCOUNT

Advertising for **Billy Bee Honey Products Ltd.** of Toronto will be handled by **Muter, Culiner, Frankfurter & Gould Ltd.** Account executive is Jack Sturman. **Public Relations Board of Canada Ltd.**, a division of the agency, will direct public relations program on the new account. Account supervisor will be Sam Crystal.

ANNOUNCEMENT

ST. LAWRENCE CORP. APPOINTMENT



JAMES G. WYLLIE, C.A.

St. Lawrence Corporation Limited announces the appointment of James Gow Wyllie, C.A., as Vice-President, Finance. Mr. Wyllie comes to this newly created position from Canada Steamship Lines Limited where he was Vice-President and Comptroller. He has also been Assistant General Manager and a Director of Bowaters Newfoundland Pulp and Paper Mills Limited as well as Secretary-Treasurer of Bowater Corp. of North America Limited. Before going to Bowaters Mr. Wyllie was Assistant to the Vice-President and Treasurer, Canadian Industries Limited, and had previously been Assistant Internal Auditor of Howard Smith Paper Mills Limited. Mr. Wyllie will be located at St. Lawrence Corporation's Montreal head office.

Canada's Exports on the Rise

Major Groups of Products	1960 Jan.-June $ Million	1959 Jan.-June $ Million	1959 Full year $ Million	1955 Jan.-June $ Million	1955 Full Year $ Million	% Change Jan.-June 1960-1959	% Change Jan.-June 1960-1955
Agricultural, vegetable products	391.3	437.0	868.9	369.0	752.3	—10.5	+6.0
Animals, animal products	155.4	168.5	356.0	126.0	263.6	—7.8	+23.3
Fibres, textiles, products	19.9	10.9	25.0	9.3	22.8	+82.6	+114.0
Wood, wood products, paper ..	768.9	726.8	1,516.0	730.3	1,520.9	+5.8	+5.3
Iron, products	277.3	235.4	563.3	165.8	398.8	+17.8	+67.2
Non-ferrous metals, products ..	615.6	505.8	1,114.8	407.7	852.9	+21.7	+51.0
Non-metallic minerals, products	155.6	137.6	294.2	89.5	206.2	+13.1	+73.9
Chemicals, allied products	121.2	91.6	201.7	95.0	183.5	+32.3	+27.6
Miscellaneous	35.8	31.2	81.7	*27.5	57.3	+14.7	+30.2
Total domestic exports	2,541.0	2,344.8	5,021.6	2,020.1	4,258.3	+8.4	+25.8

*Adjusted by F.P. due to change in DBS method of compiling data.
Source: DBS.

More Canadians Are Touring Canada

Canadians who spent their vacations this year in Canada likely will push tourist income ahead of last year's figures, but they won't help our travel "trade deficit."

Some provinces report increases in U.S. tourist spending, others decreases.

By BEATRICE RIDDELL

As Canada's summer tourist season moves into the last lap, government tourist officials, transportation men and hoteliers from coast to coast are forecasting a finish ahead of last year.

But it looks now as though it may be Canadian holidaymakers who push room, meal and shop sales over the top.

While several provinces report fair increases in number of U. S. tourists, some at mid-season report slight decreases. And even where U. S. tourists are much in evidence, the snowballing camping trend may put over-all foreign spending slightly below last year.

Every province has reported considerable increase in Canadians from other provinces. Transportation men say domestic travel is at an all-time high this summer. And at some resorts, **FP** was told, slight drops in U. S. guests have been made up by Canadians.

But this won't help Canada's international balance of travel spending — the amount Canadians spend abroad compared with the amount foreign tourists spend in Canada.

Last year, Canada had a deficit of $200 million. And while Canadians are traveling farther in Canada this year, they are also breaking records abroad.

In recent years, most notable trend in Canadian tourism has been the fantastic growth of motor and camping holidays.

In every province, governments are spending heavily for roads, new parks, camping and picnic facilities.

In Ontario, 97,699 camping permits were issued to Aug. 7 this year — up 17% from the same period a year ago.

National parks' attendance to July 31 was 9% ahead of last year. And in a number of areas throughout the country, resort operators are looking wistfully at the crowded campsites nearby.

Better off are motel operators on strategic highways and on fringes of big cities. And many thoughtful investors are betting on downtown motels.

In Vancouver, for instance, where the International Festival of Music and Arts provides a big summer drawing card, motels and hotels built in the past two years have done good business this summer.

Every province reports new accommodation.

In Nova Scotia alone, more than $6 million has been spent this year.

But few de luxe resorts are being built in Canada. Most of the building in recent years (apart from big city "convention" hotels) have been motels, airport hotels, hunting camps and lakeside cottages.

- **In Ontario**, which annually gets the biggest share of foreign visitors, some resort areas report fewer U. S. tourists to date. Others report increases.

But regardless of U. S. visitors, there have been many more Canadian tourists from other provinces.

The Canadian National Exhibition, starting in Toronto this week, will have an effect — for better or for worse — on the total situation for Ontario.

- **In Quebec**, the popular Laurentian Mountain area has had a "spotty" summer, according to some resort operators.
- **B. C. reports** U. S. visitors comparable with last year, but many more non-resident Canadians. And B. C. residents are moving around much more in their own province, with the Okanagan Valley a 1960 favorite for vacationers from coastal centres.
- **Prairie Provinces** report record tourist counts — both U. S. and Canadian — with newly opened northlands very popular this year.
- **Atlantic Provinces** as a whole are probably about even with last year on U. S. tourists (some report increases, others decreases). But here too, there are many more visitors from other parts of Canada.
- **Yukon** is not having as good a summer as expected. Tourist authorities in Whitehorse predict season's-end increases in U. S. tourists and spending over last year. But federal government authorities say auto and bus traffic along the Alaska Highway was down at July 31.

Last year, increase was more than 100% over 1958 — in turn a record year. Approximately $210,000 was spent this year on accommodation with more planned for the coming winter.

- **Interest in the Northwest Territories** is gaining slightly.

But the season is not over, and autumn business has been improving in recent years.

One possible bonus this year may be U. K. and European tourists — expected in the summer months but to date not seen in any startling numbers. (Dollar restrictions for U. K. travelers were eased last year.)

But some observers say that these tourists are waiting until the airlines' new 17-day excursion fares go into effect on Atlantic routes in October.

"A significant number of British and European tourists have booked fall visits to Canada," one airline official told **FP**.

Visitors Favor Car Touring

What are foreign visitors doing in Canada this year?

In Ontario, which annually gets 60% or more of Canada's foreign visitors, a mid-season check at visitors reception centre breaks "purpose of visits" down this way:

- **Hunting** (will increase in the fall)—1%.
- **Cruising** (small but growing) —2%.
- **Visiting** resorts—7%.
- **Fishing**—8%.
- **Camping**—13%.
- **Touring** by car and sightseeing—69%.

Halifax Gets $9 Million Shopping Mall

HALIFAX (Staff) — Work will begin early in 1961 on a $9 million shopping centre on 28 acres of sloping land in northwest Halifax (**FP**, Jan. 16).

It will be the largest centre east of Toronto and will feature the biggest department store in the Maritime Provinces.

Announcement was made at mid-week by **Webb & Knapp (Canada) Ltd.**, owners and developers of the project, and **T. Eaton Co.**, the prime tenant.

Sobeys Stores Ltd., the fast-growing Maritime-based food chain will operate a supermarket.

Eaton's will occupy 153,000 sq. ft. on three levels. Sobeys and 50 other stores and service shops will bring total rentable area to 351,500 sq. ft.

Slightly more than 3 mi. from downtown and the dock area of the city, the shopping centre will be accessible from practically everywhere in the Halifax metropolitan area.

It is expected to derive its primary strength from suburban residential developments.

"By 1964, a year after the centre is opened, we expect the population of our trade area to exceed 200,000," a Webb & Knapp official said.

All shops will face on an enclosed, heated mall — an advanced design which the company is pioneering at Wellington Square in London, Ont. and Place Ville Marie in Montreal.

Designers of the Halifax project have taken advantage of the rocky, sloping terrain. The parking area accommodating 1,800 cars will be on three levels, one of them including the roofs of the stores.

Main entrance to the stores will be at the level of the mall. Below will be a service concourse.

Incorporated in late 1955, Webb & Knapp (Canada) now has a land inventory of 2,500 acres in urban centres extending from Halifax to Vancouver.

Another major development is expected to be announced shortly.

Mount Royal Rice Net 8% Over '59

MONTREAL (Staff) — Net profit of **Mount Royal Rice Mills Ltd.** for the three months ended July 31 was $31,565 or 53c per common share, up 8.4% from $29,120 or 48c per share in corresponding 1959.

This is the first interim report issued by the company. It covers the first quarter of the fiscal year.

During the quarter, net operating profit was $48,615 ($44,632 in 1959) while provision for income taxes was $17,050 ($15,512).

Winnipeg Plant To Make Blocks

By Our Own Correspondent

WINNIPEG — **Tallman Gravel & Sand Supply Ltd.** has opened a new $250,000 Winnipeg plant to manufacture hollow concrete masonry blocks.

Its production process is fully automatic, first of its kind in Manitoba, controlled at each stage to ensure uniformity and quality of output.

At capacity it is the equivalent of 900 units per hour of 8 in. by 8 in. by 16 in. dimension.

The new plant is on a 23-acre site in suburban Fort Garry. It employs 25, most of them specialists.

The project was planned to meet increasing demand of the building industry for concrete masonry blocks.

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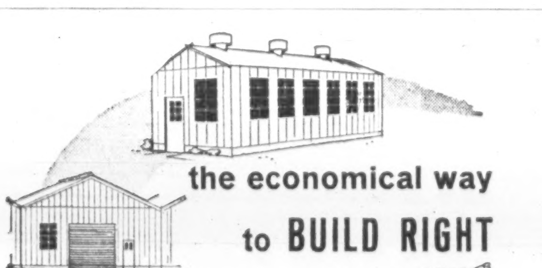

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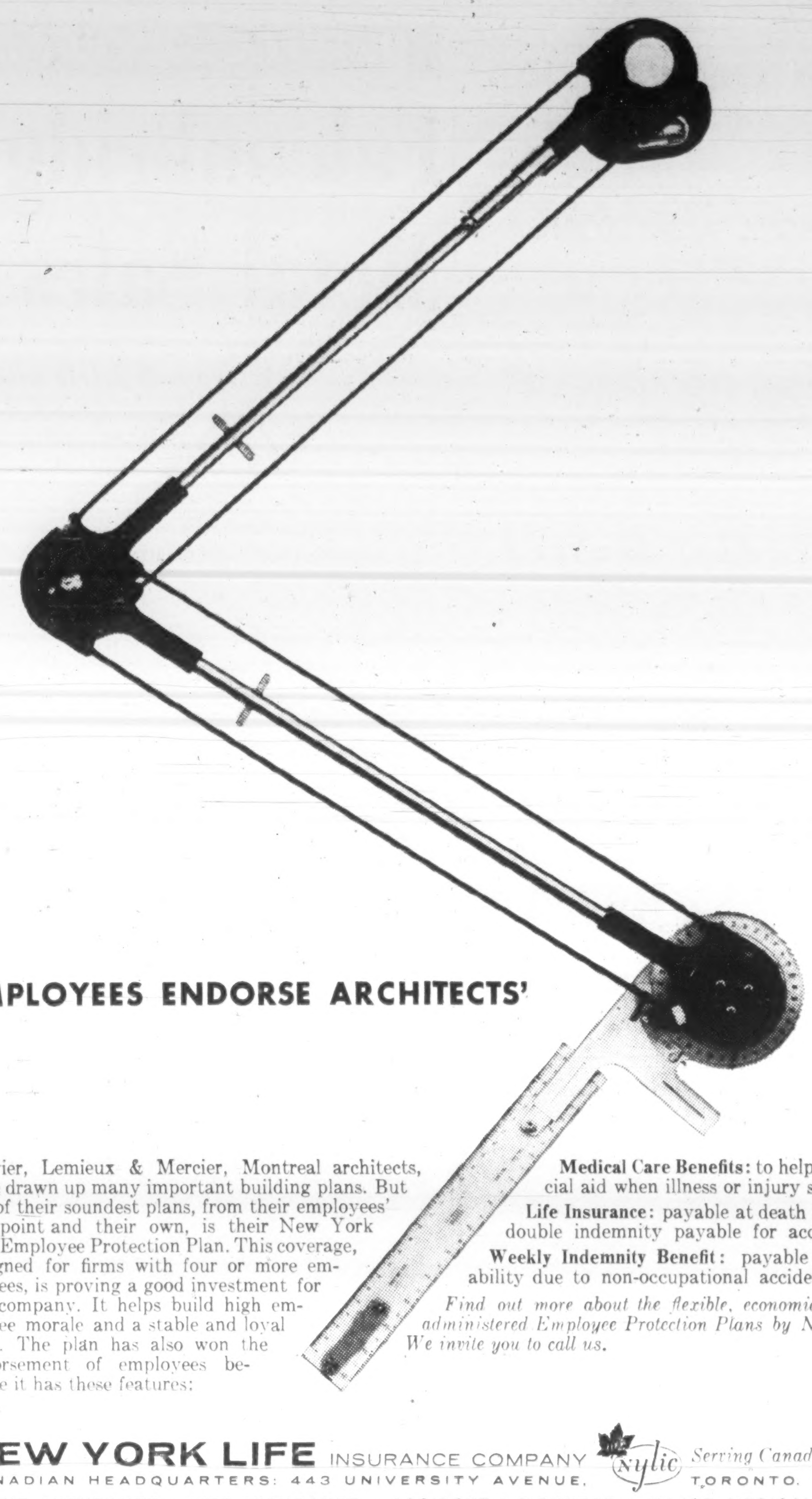

EMPLOYEES ENDORSE ARCHITECTS' PLAN

Crevier, Lemieux & Mercier, Montreal architects, have drawn up many important building plans. But one of their soundest plans, from their employees' viewpoint and their own, is their New York Life Employee Protection Plan. This coverage, designed for firms with four or more employees, is proving a good investment for the company. It helps build high employee morale and a stable and loyal staff. The plan has also won the endorsement of employees because it has these features:

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Defence Contracts

Department of Defence Production awarded 138 contracts of $10,000 or more each, with total value of $10.9 million, in the first half of June.

Seven contracts totaling $1.8 million, were awarded to three different firms for engineering studies, development, manufacture of prototype and production of aircraft modification kits. **Canadair Ltd.**, Montreal, received four such contracts totaling $1.6 million.

Firms receiving other large contracts for a wide variety of goods included: **Standard Telephones & Cables Mfg. Co. (Canada)**, Montreal; for equipment for a fully automatic telegraph relay system ($840,880); **Canadair Ltd.**, Montreal, two contracts for aircraft spares ($807,000); **Instronics Ltd.**, Stittsville, Ont., for electronic components ($775,327); **Canadian Arsenals Ltd.**, Ottawa, for ammunition components ($752,215); **Imperial Oil Ltd.**, Ottawa, three contracts for petroleum products ($736,186); and **Aviation Electric Ltd.**, Montreal, two contracts for aircraft spares ($551,248).

Contracts Awarded
June 16-30, 1960

Contractor / Commodity	Value
Addison Auto Electric (Toronto) Ltd., Toronto, automotive analyzer, test sets	$ 19,048
Aircraft Industries of Canada Ltd., St Johns, Que., engineering studies, development, manufacture of prototype production of aircraft modification kits	40,000
Ampex of Canada Ltd., Ottawa, recorder/reproducer	16,150
Anglo Traders Ltd., Toronto, paulins and curtains for trucks	43,160
Autobus Fournier Ltée, Quebec, Que., transportation	274,719
Aviation Electric Ltd., Montreal, aircraft spares	551,248
Aviquipo of Canada Ltd., Montreal, aircraft spares	10,332
Avro Aircraft Ltd., Toronto, airframe spares	225,484
B.C. Equipment Co., Vancouver, milling machines, attachments	34,924
Baxter Dairies Ltd., Saint John, N.B., dairy products	18,480
Beach Foundry Ltd., Ottawa electric ranges	41,855
Becton, Dickinson & Co. Canada, Toronto, medical supplies, equipment	130,784
Bell-Craig Ltd., Toronto, medical supplies	38,484
Bell Telephone Co. of Canada, Ottawa, rental of telephone facilities	21,128
G. A. Boulet Ltee., St. Tite, Que., footwear	11,379
British American Oil Co., Toronto, fuel oil	72,230
Brookside Dairy Quebec, Que., dairy products	20,082
Brown's Bread, Toronto, bread	11,885
Canada Packers Ltd., Edmonton, meat	30,378
Canada Packers Ltd., Halifax, food, meat, dairy products	107,580
Canada Packers Ltd., Kelowna, B.C., meat	17,585
Canada Packers Ltd., Montreal, dairy products	22,228
Canada Packers Ltd., Ottawa, meat	43,761
Canada Packers Ltd., Quebec, Que., meat	12,109
Canada Packers Ltd., Saint John N.B., meat, dairy products	65,683
Canada Packers Ltd., St. Boniface, Man., meat	16,078
Canada Packers Ltd., Toronto, meat	50,425
Canada Packers Ltd., Vancouver, meat	11,298
Canada Wire & Cable Co., Ottawa, development of minesweeping lead cable	20,000
Canadair Ltd., Montreal, engineering studies, development, manufacture of prototype and production of aircraft modification kits, design and development of ground support equipment for aircraft program; aircraft spares	2,451,994
Canadian Arsenals Ltd., Ottawa, sheets of propellant, ammunition components	765,315
Canadian Curtiss Wright Ltd., Toronto, propeller spares, tools	13,407
Canadian General Electric Co., Toronto, maintenance of electronic equipment	192,000
Canadian Ingersoll-Rand Co, Montreal, compressor spares	40,320
Canadian Petrofina Ltd., Montreal, gasoline	129,492
Canadian Pratt & Whitney Aircraft Co., Montreal, pneumatic starters for aircraft engines	291,641
Cannon Electric Canada Ltd., Toronto, connectors	15,492
Carriere & MacFeeters Ltd., Toronto, modification kits for electric tachometer, hour-meter installation	14,676
Cobourg Matting & Carpet Co., Cobourg, Ont., floor covering	10,175
Collins Radio Co. of Canada, Toronto, refurbishing of electronic equipment	10,000
Computing Devices of Canada Ltd., Ottawa, visual omni-range instrument system equipment	52,511
Connaught Medical Research Laboratories Toronto, medical supplies	18,000
Consolidated Engines and Machinery Co., Montreal, repair, overhaul of control panels, supply of distribution switchboard and transformers	34,630
Couverture & Ventilation Ltée Quebec, Que., re-roofing of building	10,000
Crescent Creamery Ltd., Winnipeg, dairy products	17,220
Geo. W. Crothers Ltd., Toronto, tractors	79,065
Cyanamid of Canada Ltd., Town of Mount Royal, Que., medical supplies	11,525
De Havilland Aircraft of Canada Ltd., Toronto, engineering studies, development, manufacture of prototype production of aircraft modification kits	160,000
Destruction Bay Lodge, Northwest Highway System, catering services	29,319
Eastern Bakeries Ltd., Saint John, N.B., bread	15,820
Edo (Canada) Ltd, Cornwall, Ont., electronic equipment	12,714
Eganville Creamery Ltd., Eganville, Ont., dairy products	10,863
Fairholme Dairy Ltd., Clinton, Ont., dairy products	14,559
Field Aviation Co., Ottawa parachute components	12,894
Louis Fischl Glove Co., Prescott, Ont., gloves	10,044
General Dairies Ltd., Fredericton, N.B., dairy products	12,320
Gilbert & Co., Toronto, medical supplies	29,192
Godfrey Engineering Co., Lachine, Que., spares for aircraft cabin pressure tester	11,250
Great West Packers Inc., Montreal, meat	12,625
Halifax Shipyards Ltd., Halifax, docking, refitting of wheeler barge	22,500
Hoffman-La Roche Ltd., St. Laurent, Que., medical supplies	16,958
Industrial Cable & Tool Corp, Montreal, hand jacks	25,177
Imperial Oil Ltd., Ottawa, petroleum products	736,186
Instronics Ltd., Stittsville, Ont., electronic components	775,327
International Business Machines Co., Ottawa, rental of office equipment	69,543
Irvin Air Chute Ltd., Fort Erie, Ont., parachute components	15,712
Johnson & Johnson Ltd., Montreal, medical supplies	17,371
Johnson Matthey & Mallory Ltd., Toronto, research contract	66,636
Joy Manufacturing Co. (Canada) Ltd., Galt, Ont., air compressors	49,960
Kendall Co. (Canada), Toronto, medical supplies	26,847
Joseph Labrecque Sherbrooke, Que., building repairs	11,947
La Laiterie J. V. Gougeon Inc., Richelieu, Que., dairy products	15,626
Ernst Leitz Canada Ltd., Midland, Ont., sight units for rifle	10,579
Eli Lilly & Co. (Canada), Toronto, medical supplies	25,117
London Pure Milk Co., London Ont., dairy products	18,375
Macdonald & White Varnish & Paint Co., Riverside, Ont., paint	16,682
Machine Products Corp., Montreal, warehousing equipment	21,901
Marine Industries Ltd., Sorel, Que., installation of degaussing system	14,736
Martin Paper Products Ltd., New Westminster, B.C., fibreboard boxes	10,650
Modern Dairies (Brandon) Ltd., Brandon, Man., dairy products	13,954
Mutual Dairies Ltd., Ottawa dairy products	13,791
Norris Dairy, Barrie, Ont., dairy products	39,106
Olkon Co. of Canada, Ottawa, pyrotechnics	278,453
Parmalee Ltd., Toronto, industrial goggles	15,396
Penmans Ltd., Montreal, clothing	34,316
Perkin-Elmer (Canada) Ltd., Montreal, spectrophotometer, accessories	15,747
Petawawa Deluxe Cleaners & Launderers Ltd., Petawawa, Ont., laundering services	37,000
Philco Corp. of Canada, Don Mills, Ont., technical representative	11,783
Philips Electronics Industries Ltd., Toronto, electronic equipment	474,467
Pleasant View Dairy Ltd., Pembroke, Ont., dairy products	14,156
Plymouth Cordage of Canada Ltd., Welland, Ont., manilla rope	25,758
Price's Dairy Ltd, Kingston, Ont., dairy products	26,190
Roblin Dairy, Belleville, Ont., dairy products	10,646
Rogers Montreal Ltd., Montreal, coal	203,803
Rosco Metal Products (B.C.) Ltd., Vancouver, culvert	10,608
Shell Oil Co. of Canada, Toronto, boiler fuel oil	16,207
Sherwin-Williams Co of Canada, Montreal, paint	50,807
Singer Plumbing & Heating Co., Montreal; modification of heating system	10,200
Smith & Newphew Ltd., Montreal, medical supplies	26,534
Standard Dairies Ltd., Winnipeg, dairy products	14,714
Standard Telephones & Cables Mfg. Co. (Canada), Montreal, equipment for fully automatic telegraph relay system	840,880
Swift Canadian Co., Halifax, meat	17,805
Swift Canadian Co., Saint John, N.B., meat	13,317
Swift Canadian Co., Vancouver, meat	11,913
T.M.C. (Canada) Ltd., Ottawa, radio transmitters	21,742
Texpack Ltd., Brantford, Ont., medical supplies	12,028
Thermo Electric (Canada) Ltd., Brampton, Ont., aircraft instrument spares	16,735
F. V. Topping Electronics Ltd., Toronto, radio test sets	19,406
Trelco Ltd., Toronto, paint	11,570
Valeriote Electronics (Guelph) Ltd., Guelph, Ont., antennae	17,822
White Star Laundry Ltd., Summerside, P.E.I., laundering services	16,000
Wilsil Ltd., Montreal, meat	25,113
G. H. Wood & Co., Ottawa, paper products	62,630

Defence Construction (1951) Ltd. Contracts
June 16-30, 1960

Contractor / Work	Value
Alph's Decorating Ltd., Edmonton, fire retardant coating within hangars including leantos — Namao, Alta.	$ 32,700
Banfield & Miles, Fairview, N.S., exterior painting of permanent married quarters —Chatham, N.B.	19,340
Dean Nursery Ltd. & Tree-Form Ltd., Fredericton, N.B., clearing, ground spray of chemical weed control, brush control and soil sterilization — Chatham, N.B.	15,604
Drywall Decorating (Alberta) Ltd., Edmonton, exterior painting of permanent married quarters — Cold Lake, Alta.	24,740
Foster Wheeler Ltd., St. Catharines, Ont., supply, fabrication and erection of one steam generating unit and appurtenances — Uplands, Ont.	91,793
Harris Construction Co., Winnipeg rebuilding of intersite road — Winnipeg	79,631
Jim Hewatt Painting Contractor, Whitehorse, Y.T., exterior painting of permanent married quarters — Whitehorse, Y.T.	24,640
Maritime Sand & Gravel Co., Dartmouth, N.S., construction of an earth fill reservoir and mains to connect to existing distribution system — Bedford Basin, N.S.	99,305
C. A. McDowell & Co., Centralia, Ont., removal and replacement of concrete hard-stand — Clinton, Ont.	12,923
McRae & Associates Construction Ltd., Edmonton, construction of steel prefabricated beacon building and outside services — Cold Lake, Alta.	16,118
Norlen Painting & Decorating, Winnipeg, exterior painting of buildings — Gimli, Man.	31,317
Standard Paving Ltd, Toronto, widening of concrete area fronting hangars — North Bay, Ont	34,438
Tower Co., Montreal, construction of an HF/DF installation and naval communications building — Frobisher Bay, N.W.T.	154,455
Walker Painting & Decorating Co., Barrie, Ont., exterior painting of buildings—Trenton, Ont.	12,870

Department of Defence Production awarded 65 contracts of $10,000 or over each for a total of $13.7 million during the first half of July.

Largest contract went to **Orenda Engines Ltd.**, Toronto, for aero engine spares ($5 million). **Avro Aircraft Ltd.**, Malton, Ont., received a contract for aircraft fuel tanks ($2,495,258) and one for technical support for aircraft ($400,000).

Other large contracts were placed with **Saint John Dry Dock Co.**, Saint John, N.B., for docking and refitting of an aircraft carrier ($700,000); **Instronics Ltd.**, Stittsville, Ont., for radio receivers (two contracts totaling $690,961); **Computing Devices of Canada Ltd.**, Ottawa, for indicators ($595,767); **Hydro-Electric Power Commission of Ontario**, Toronto, for test samples, tests, and related services on electronic parts and materials ($439,000); and **Mine Safety Appliances Co. of Canada**, Toronto, for oxygen breathing equipment ($434,404).

Defence Construction awarded nine contracts of $10,000 each or more, totaling nearly $5 million in the first half of July. Most of this consisted of a contract for $4,643,062 to **Carter Construction Co.**, Toronto, for construction of a heavy radar site, various buildings and services at Moosonee, Ont.

Contracts
July 1-15, 1960

Contractor / Commodity	Value
Abercorn Aero Ltd., Montreal, pneumatic mattresses, life raft, waistcoat accessories	$ 89,833
Ampex of Canada Ltd., Ottawa, tape recorder play-back equipment	28,176
Aviation Electric Ltd., Montreal, Que., aircraft spares, pressure gauges	25,012
Avro Aircraft Ltd., Malton, Ont., aircraft fuel tanks technical support for aircraft	2,895,258
Bathurst Container Ltd., St. Laurent, Que., folding boxes	17,485
Bell-Craig Ltd., Toronto, medical supplies	13,653
Ben's Ltd., Halifax, bread	16,780
Brantford Cordage Co., Brantford, Ont., manilla rope	14,854
Burgess Battery Co., Niagara Falls, Ont., batteries	19,571
Canada Wire & Cable Co., Ottawa, electric cable	16,355
Canadair Ltd., Montreal, airframe spares	240,000
Canadian Aviation Electronics Ltd., Montreal, field maintenance for operational flight and tactics trainers and technical representatives	323,680
Canadian General Electric Co., Toronto, production inventory and production engineering for sight/missile launch computers, electronic tubes	293,233
Canadian Marconi Co., Montreal, refurbishing of electronic equipment, navigational computers	155,688
Canadian National Railways, St. John's, Nfld., docking, refitting of fire tug	18,000
Canadian Westinghouse Co., Ottawa, spare parts for armament stores, generalized electro-mechanical, conversion units, radar system data	67,768
Computing Devices of Canada Ltd., Ottawa, indicators	595,767
De Havilland Aircraft of Canada Ltd., Downsview, Ont. satellite development contract	89,435
Domac Technical Sales Ltd., Ottawa, electronic equipment	47,265
Dominion Coal Co., Moncton N.B., coal	193,390
E.M.I.-Cossor Electronics Ltd., Dartmouth, N.S., technical representatives	75,000
Electronic Materiels International, Ltd., Ottawa, engineering investigation of preventive maintenance tests for airfield traffic control system	22,575
Genaire Ltd., Malton, Ont., toilet servicing units, aircraft spares	29,640
Gould-National Batteries of Canada Ltd., Toronto, aircraft batteries	24,675
Halifax Shipyards Ltd., Halifax, installation of degaussing system	12,379
Hydro-Electric Power Commission of Ontario, Toronto, test samples, tests, and related services on electronic parts and materials	439,000
Instronics Ltd., Stittsville, Ont., radio receivers	690,961
Walter Kidde & Co. of Canada, Montreal, repair, overhaul, recharge and retest of oxygen cylinders	30,000
MEL Sales Ltd., Toronto, radar test sets	45,650
Manning, Maxwell & Moore of Canada Ltd., Galt, Ont., hoists	115,132
T. McAvity & Sons Ltd., Saint John, N.B., valves	10,950
McGill University, Montreal research contract	20,050
Mine Safety Appliances Co. of Canada, Toronto, oxygen breathing apparatus	434,404
Montreal Cottons Ltd., Montreal, scouring, refinishing, shrinking of cloth	20,710
National Carbon Company, Toronto, batteries	19,411
National Textiles Ltd., Toronto, clothing	10,500
New England Trawler Equipment (Canada) Ltd., Montreal, after-capstan units and spares	74,218
Northern Alberta Dairy Pool Ltd., Grand Centre, Alta., dairy products	16,802
Northwestern Creamery Ltd., Victoria, B.C., dairy products	40,374
Orenda Engines Ltd., Toronto, aero engine spares	5,000,000
Oxo (Canada) Ltd., Don Mills, Ont., ration pack components	22,652
Palm Dairies Ltd., Edmonton, dairy products	10,418
Ray-O-Vac (Canada) Ltd., Winnipeg, batteries	43,909
Ross-Smith Co., Montreal, aircraft towed target gear	159,872
Saint John Dry Dock Co., Saint John, N.B., docking, refitting of aircraft carrier	700,000
Sampson Mathews Ltd., Don Mills, Ont., exterior markings for aircraft	11,012
Servomechanisms (Canada) Ltd., Rexdale, Ont., development contract	84,535
Shell Oil Co. of Canada, Toronto, aviation gasoline	200,955
Swift Canadian Co., Halifax, meat	25,640
Tip Top Tailors Ltd., Toronto, clothing	47,720
Truscon Steel Co. of Canada, Walkerville, Ont., warehousing equipment	17,350
University of Toronto, Toronto, research contract	65,000
Worthington (Canada) Ltd., Brantford, Ont., compressor water pump spares	15,377
Yukon Laundry & Dry Cleaners Ltd., Whitehorse, Y.T., laundering services	13,000

Defence Construction (1951) Ltd. Contracts
July 1-15, 1960

Contractor / Work	Value
Arno Electric Reg'd., Three Rivers, Que., replacement of underground power cable from power plant to distribution transformer — Goose Bay, Lab.	14,487
Blanchet Bros., Painters & Decorators, New Westminster, B.C., exterior painting of buildings and permanent married quarters — Chilliwack, B.C.	37,896
Carter Construction Co., Toronto, construction of heavy radar site, various buildings and services — Moosonee, Ont.	4,643,062
H. W. Corkun Construction Co., Halifax, alterations to Gladstone bulk storage building, Halifax	28,841
Coxson Decorating Ltd., Calgary, Alta., exterior painting of permanent married quarters — Calgary, Alta.	27,862
Evans Contracting Co., Agincourt, Ont., construction of drainage ditches and ground development — Greenwood, N.S.	163,533
Gas Machinery Co. (Canada), Hamilton, Ont., completion of residual work, supply and installation of air drying plant — Ottawa (Uplands), Ont.	36,605
Donald M. Hawkins Ltd., Hamilton, Ont., exterior painting of permanent married quarters — North Bay, Ont.	22,272
Pavage Richelieu Ltd., St. Bruno, Que., asphalt paving, concrete work, fencing and grounds improvement — Longueuil, Que.	18,924

Board Studies Next Move In Canam Investigation

From Our Own Correspondent

SAINT JOHN — Next move in the probe into stock sales activity of **Canam Investments Ltd.** and associated companies is uncertain.

Hearings by the New Brunswick Public Utilities Board, which administers the Security Frauds Prevention Act, have been adjourned.

Administrator David M. Dickson said he did not think the investigators would issue subpoenas but would further consider the ramifications of such action before reaching a decision.

All evidence has been presented voluntarily.

Meanwhile Kenneth H. Gregory of Montreal, who emerged as a key figure in several investment and mining companies under investigation, is believed to be in Europe.

He had told J. Paul Barry, counsel for the administrator, he was planning a trip to Holland.

A number of books and accounts for which a seizure order was issued by the board have not been found (FP, Aug. 13).

According to testimony by an official of the U. S. Securities & Exchange Commission, New Brunswick stock-selling firms had taken between $6 million and $7 million from the U. S. public.

Dickson said "most of the huge profit" made by Canam and **St. Stephen Nickel Mines Ltd.** had been taken from Canada, probably to Switzerland or the West Indies after being deposited temporarily in a bank in Montreal.

Withdrawals were made by "an unknown person".

Highlight of last week's testimony was an auditor's statement that a man who can't be found made $287,000 profit from the sale of stock in a mining company whose claims might be worthless.

The auditor, J. Nevin Burnham, said financial manoeuvres of **A. G. Powis Co.**, licensed in 1959 as investment dealers, put the $287,000 profit into the hands of "Herman Starr", who can't be identified or located.

Burnham said "Starr" bought 300,000 shares of **Trans-Nation Minerals Ltd.** for 6c a share and resold 250,000 shares to Powis Co. at $1 to $3 a share.

"The manner of dealing in shares of Trans-Nation between Powis Co. and 'Starr' was entirely without reason or justification", he said.

He also said there were strong indications that mining claims promoted by Trans-Nation had no value.

Cowichan Offers Share Exchange

Shareholders of **Cowichan Copper Co.** are being asked to approve a take-over of four companies on share exchange basis.

Cowichan has limited a total of 500,000 shares to be exchanged on the proposed acquisitions, still leaving $18,000 shares in the treasury.

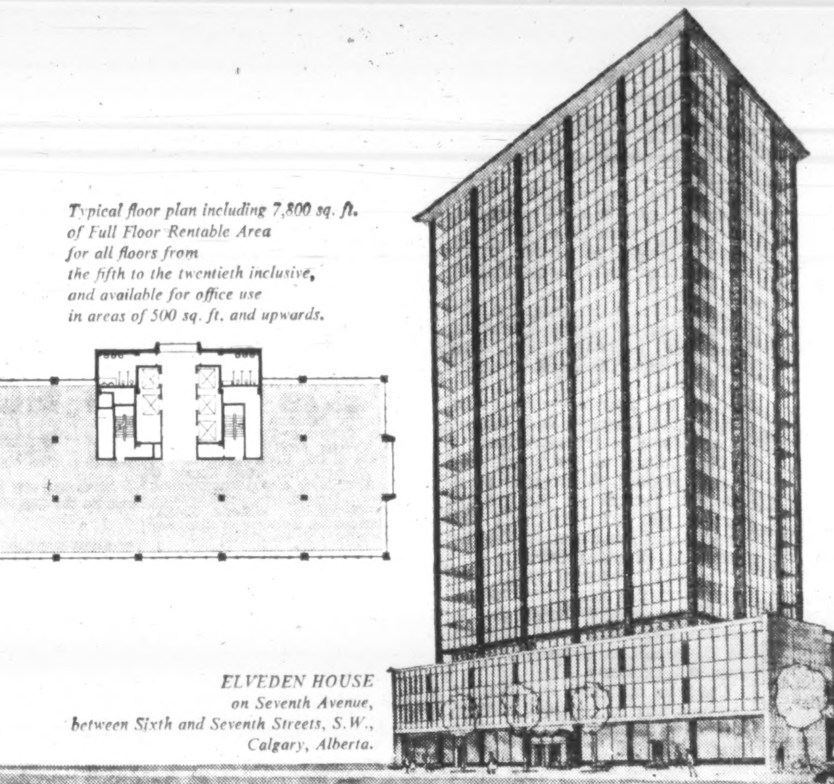
The companies, regarded as having ore similar to Cowichan's, are **Nadira Mines, Avallin Mines, Cayuse Copper, Cellador Mines** offered 1-for-3, 1-for-4, 1-for-5, and 1-for-4 respectively.

In outlining benefits in the move, directors cite supplementary tonnage; tax benefits by deferred charges; custom milling arrangements; further stock option position.

The newest, most modern office building in Canada's oil capital will be ready for your occupancy on January 1st, 1961

Elveden House
Calgary, Alberta, Canada

This twenty story prestige building was designed for maximum efficiency in office operation combined with maximum economy in office maintenance. Elveden House features will include high speed fully automatic elevators, complete air conditioning and refrigeration, maximum natural light that reduces "inside space" to a minimum, parking and storage space, as well as main floor banking, restaurant, and post office facilities. Janitor service, floor covering and draperies on all outside windows are included in the rental. Elveden House is owned and operated by British Pacific Building Limited, a Guinness Corporation, whose experience in the field of building management includes twenty-five years of ownership and operation of the famous Marine Building in Vancouver, British Columbia.



FOR FLOOR PLANS AND RENTAL DETAILS PLEASE ADDRESS INQUIRIES TO THE RENTAL OFFICE, BRITISH PACIFIC BUILDING LIMITED, SUITE 504, 239, 8TH AVE. S.W., CALGARY, ALBERTA, CANADA

BPB6-1

Fewer Ships Carry More, Seaway Cargo Up 12.8%

MONTREAL (Staff) — Trend on the St. Lawrence Seaway is toward larger, more heavily laden vessels.

It is expected to continue as more and more ships, built especially or modified for Seaway navigation, make their appearance on the $600 million deep water link between Montreal and Lake Ontario.

Traffic statistics show 204 fewer transits on the Montreal-Lake Ontario section from mid-April to the end of July than in corresponding 1959.

But transported cargo jumped 12.8%.

Since opening of navigation, transits were 3,219 (1,644 upbound and 1,575 downbound) against 3,423 (1,751 upbound and 1,672 downbound) a year ago.

Cargo was 9,640,953 tons against 8,545,839 a year ago.

Bulk cargo jumped sharply from 7,587,232 tons to 8,719,110 tons while general cargo dipped from 958,607 tons a year ago to 921,843 tons.

Twenty million tons moved through the Seaway in 1959 in its first season. This was 21% below estimates but 71% over the 11.8 million tons carried by the old St. Lawrence canals in 1958.

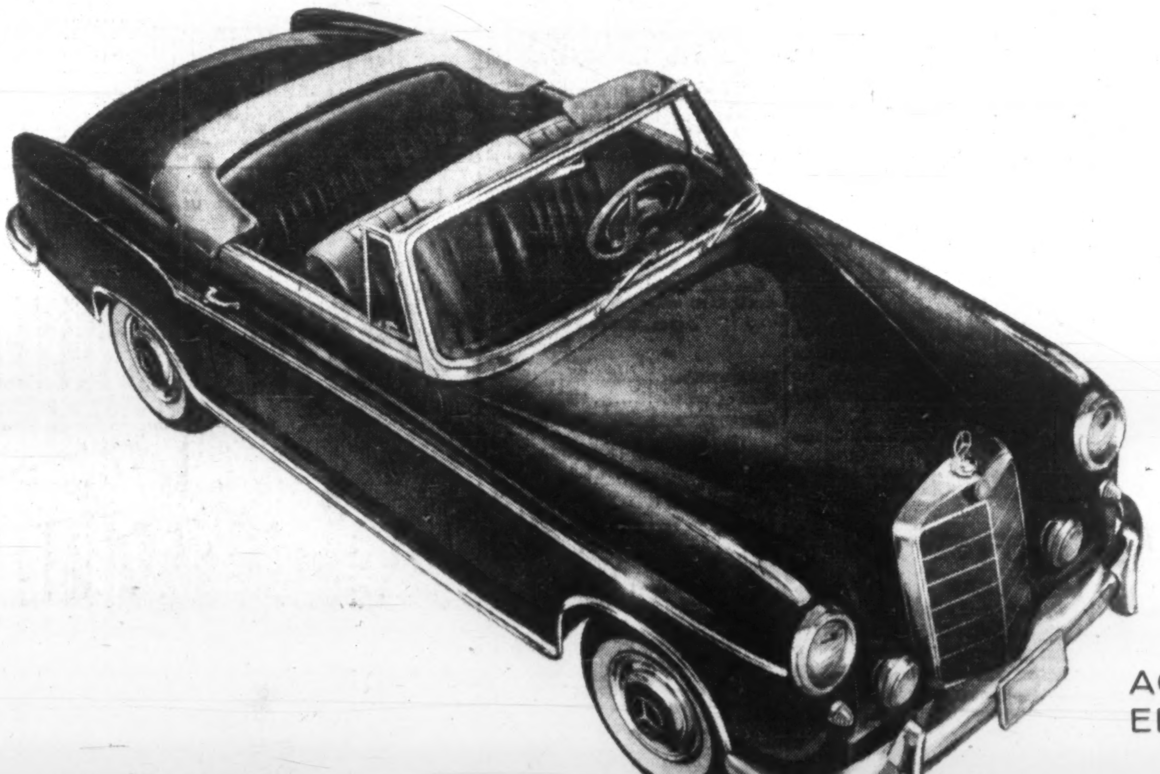
On the Welland Canal from the opening of navigation through July, 1960, transits were 3,655, a drop of 131 from 3,786 a year ago.

Cargo followed the Seaway pattern jumping to 14,393,965 tons from 12,288,751 a year ago. This represents an increase of 17.1%.

Although seaway traffic is still below estimates, officials continue to take the long view.

They have 50 yr. to get enough cargo through the water escalator to earn $1,235 million to cover operation and maintenance costs and pay off debt and interest.

A full review of traffic and toll structures will be undertaken in 1964, by which time a firm pattern of Seaway use should be established.



AGELESS ELEGANCE

Convertible and coupe models are now available.

Not just to see . . . but to drive the Mercedes-Benz 220 SE in either Convertible or Coupe model is a unique and enjoyable experience.

Every elegant line, every rich hand-finished interior appointment . . . for instance, the superb leather seats with posture-perfect comfort . . . expresses quality, distinction. And performance matches appearance: Mercedes-Benz fuel injection, rapid acceleration, and the smoothest, quietest ride you have ever known.

MERCEDES-BENZ
OF CANADA LIMITED, TORONTO, ONTARIO
DEALERS FROM COAST TO COAST

Market Comment

What stocks and bonds are doing and what prominent observers say

Stocks of the chartered banks and steel producers have taken over from the natural gas issues to push Canadian stock markets into higher ground. Extent of the present rally can be seen in the Toronto Stock Exchange industrial index, up about 28 points or 6% from its late-July low.

The market's current rise is the best this year. For most of 1960, prices have been falling except in May when the Toronto industrial board gained 3%.

* * *

W. V. MacINNES, T. A. Richardson & Co., Toronto.

An examination of the New York market at this time requires a consideration of several phases, to determine its over-all state of health. Fundamentally, from an economic point of view, we would appear to be in a plateau area of prosperity.

We are not witnessing boom conditions and in some areas we have seen some letdown. For the balance of the year there could be some improvement but this may be somewhat seasonal in nature.

Considering the monetary forces behind our economy, we have recently witnessed the easing of money by the "money managers" in Washington.

How effective a cheap money policy will be at this time is rather difficult to determine in the face of the substantial foreign credits in the U. S. resulting in an outflow of gold, and in view of the condition of the over-all banking system which we understand shows loaning capacity near maximum limits.

Technically, since the first of January the market has dropped from its all time high to the 600 DJIA level — rebounding and retreating on several occasions. That it has been able to rally from the 600 area has instilled a great deal more confidence in the market than was evident in the early part of the year.

However, each time the market approached the 600 level it did not get oversold on broad liquidation, consequently, it has not been able to rally in a broad and decisive manner — the rallies, as such, being quite selective.

At the moment, we appear to be in another of the selective rallies, which will have to be corrected some time in the near future. If the cheap money policy fails to work, and the odds are against it working for any period of time, then a basic element of confidence will be taken from the market.

Similarly, if the market falls toward the 600 level and does not result in an oversold condition, it is likely to penetrate that area, resulting in substantial liquidation and becoming sold out some distance below the 600 DJIA.

The Canadian market which has moved along slightly different paths, nevertheless reflects the direction the New York market takes. While it is not as high as the New York market by the common standards of measurement, it nonetheless, is not low and if New York should develop severe weakness we would anticipate the same will happen in our own markets.

* * *

NESBITT THOMSON & CO., Montreal.

The present strength in the bond market seems justified by recent developments, notably the "easier - money" policy being maintained by the U. S. Federal Reserve Board, the effect of which quickly became apparent in Canada.

The actions taken by the monetary authorities in the U. S. should continue to be felt in the next couple of months as it usually takes some time before the financial markets adjust themselves to the new factors. The announcement that the U. S. Treasury plans a large-scale refunding of its debt in order to extend average maturities could possibly also prove constructive.

In Canada, the question of unemployment in the absence of any signs of a strong or immediate business upturn in most industries makes it reasonable to expect that the monetary authorities here may also favor a trend toward easier money. The over-all North American picture, therefore, appears to justify continued optimism as far as the senior securities are concerned.

In the Canadian stock market, the outstanding feature has been the revived interest in selected natural gas securities as a result of important recent events. The expansion in this section over the next 15 months will likely provide investors with interesting opportunities in the way of new offerings of natural gas stock convertible bonds and perhaps other "bonus" issues.

The improvement in the bond market has already given the more conservative types of stock, such as banks and utilities, a lift as comparative yields are becoming more attractive.

Sound stock investment values appear available in other industries too, both on a yield basis and in relation to earnings. This, we think, may be the case with certain pulp and paper and finance company stocks and perhaps also among the steels and base metals.

* * *

D. R. ROWLAND, Annett & Co. Ltd., Toronto.

The bond investor, in looking ahead to the final months of 1960, should be aware of three important factors.

With the exception of the gas industry and related pipelines, corporation demands on the bond market should not be too heavy as most industry has excess plant capacity.

The prime bank rate and the money supply have remained relatively unchanged over the last year and both could be altered to stimulate business. In this regard the aggressive moves in the United States to ease money should have an influence here.

The failure of the gross national product to increase at a 6% rate forecast in the annual budget will probably force the government into the market to finance an expected deficit.

The strong upward trend evident over the last month could pause at present levels for a further advance later, depending on the reception given to new issues in September.

Cautious optimism is probably the best way to regard the stock market at present. After a very long period of depression, Canadian markets have shown most encouraging signs of advancing, led by such groups as the banks, foods, etc.

Definite signs of re-entry into the market by larger investors, such as funds, are apparent, but by and large the general public apparently prefers to remain on the sidelines for the time being. Lower yields on long term bonds are a contributing factor to stronger equity markets and give strength to such investment stocks as **Bell Telephone, B. C. Power**, and the chartered banks.

With gas exports completely cleared, a more reliable assessment can now be made of future earnings for this industry. There is certainly no run-away speculation in this segment of the market.

The New York market should continue to improve as the November election approaches. Both political parties would no doubt prefer a healthy stock market climate during election time and the easier money and lower margin requirements have contributed to an improvement in the business climate.

Car-Maker Seeks Trinidad Plant

York Noble Industries Ltd. is negotiating for permission to establish an assembly-production line in Trinidad for the Nobel do-it-yourself car.

The "Nobel 200" would be the first motor vehicle produced in the Caribbean area.

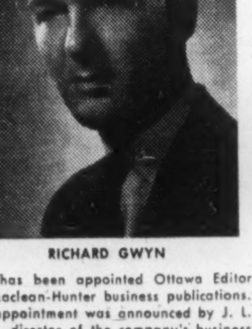
Managing director York Noble expects to produce 200 cars a week and provide employment for about 300 workers.

He said "tax holidays" and other commercial benefits from the Trinidad government would be essential before he could make a decision on setting up the Trinidad operation.

He has previously expressed an interest in introducing the car to the Canadian market (**FP**, Feb. 6).

ANNOUNCEMENT

MACLEAN-HUNTER OTTAWA EDITOR



RICHARD GWYN

who has been appointed Ottawa Editor for Maclean-Hunter business publications. The appointment was announced by J. L. Craig, director of the company's business publications division. Mr. Gwyn succeeds Don Peacock, the division's first Ottawa Editor, who has transferred to the Ottawa bureau of The Financial Post, a Maclean-Hunter publication.

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Securities.

DOMINION

Government of Canada Treasury Bills—Due Nov. 10, 1960 and Feb. 10, 1961, $120,000,000. Issued Aug. 11, 1960. Sold at $99.286 to yield 2.91% and $98.462 to yield 3.13%.

PROVINCIAL

Village of Kinnaird, B. C. Guar. by Province of B. C. — 5¾% debentures, to mature May 1, 1961-80, $170,000. To be dated Aug. 12, 1960. Offered at $100.06 to Pemberton Securities Ltd.

MUNICIPAL

Town of Newmarket, Ont.—6½% debentures, due Aug. 15, 1961-70, $25,800. Issued Aug. 5, 1960. Sold at $101.05 to Mills, Spence & Co. Ltd.

School Commission for Mun. of Lesage, P.Q.—5½% and 6% debentures, due June 1, 1961-75, $163,000. Issued Aug. 7, 1960. Sold at $98.697 to Credit Quebec, Inc.

City of Cote St-Luc, P.Q.—5½% and 6% debentures, due Sept. 1, 1961-80, $1,206,000. Issued Aug. 8, 1960. Sold at $96.371 to A. E. Ames & Co. Limited, Bank of Montreal, Societe de Placements, Inc., and Dawson, Hannaford, Ltd.

School Commission for Mun. of Presentation, P.Q.—5½% debentures, due Aug. 1, 1961-75, $195,000. Issued Aug. 8, 1960. Sold at $98.628 to Credit Quebec, Inc.

Lord Selkirk School Division No. 11, Man. — 6¼% debentures, due Dec. 1, 1960-79, $570,000. Issued Aug. 8, 1960. Sold at $99.38 to A. E. Ames & Co. Limited.

Village of St. Joseph, P.Q.—5½% and 6% debentures, due Sept. 1, 1961-75, $300,000. Issued Aug. 28, 1960. Sold at $97.53 to Banque Provinciale du Canada, Desjardins, Couture, Inc., and Robert & Gelinas, Inc.

City of Kimberley, B.C.—6% debentures, due July 15, 1961-75, $46,000. Issued Aug. 5, 1960. Sold at $98.22 to Oldum Brown Investments Ltd.

Town of Salaberry-de-Valleyfield, Que.—5½% debentures, due June 2, 1961-80, $1,350,000. Issued July 26, 1960. Sold at $97.712 to Gairdner & Co. Ltd. and Graham Armstrong Securities Ltd. & Syndicate.

Town of Glace Bay, Nova Scotia—5¾% 1-15-year debentures, $125,000. Issued Aug. 19, 1960. Sold at $96.27 to Gairdner Son & Co. Ltd.

CORPORATE

General Motors Acceptance Corporation—4⅝% twenty-two year debentures, to mature Sept. 1, 1982, $150,000,000. Dated Sept. 1, 1960. Offered at 99¼% and accrued interest by Morgan Stanley & Co., Dillon, Read & Co Inc., The First Boston Corporation, Kuhn, Loeb & Co., Blyth & Co. Inc., Drexel & Co., Eastman Dillon, Union Securities & Co., Glore, Forgan & Co., Goldman, Sachs & Co., Harriman Ripley & Co. Incorporated, Kidder, Peabody & Co., Lazard Freres & Co., Lehman Brothers, Merrill Lynch, Pierce, Fenner & Smith Incorp., Salomon Bros. & Hutzler, Smith, Barney & Co., Incorporated, Stone & Webster Securities Corporation, White, Weld & Co., Dean Witter & Co., Harris & Partners Inc., Wood, Gundy & Co., Inc., A. E. Ames & Co., Incorporated, Burns Bros. & Denton, Inc., The Dominion Securities Corporation, McLeod, Young, Weir, Incorporated, Gairdner & Company Inc., Greenshields & Co. (N.Y.) Inc.

Industrial Acceptance Corporation Limited—6% secured notes series W, to mature Aug. 15, 1980, $7,500,000. Dated Aug. 15, 1960. Offered at $100.00 and accrued interest by Greenshields & Co., Inc. and Wood, Gundy & Company Limited.

Options on Stock

Supplied by Kippen & Co. Inc., Montreal
90-day Call Offerings per 100 shares at current market prices
Aug. 22, 1960

Alberta Gas	$210	Home Oil A	100
Algoma Steel	300	Imperial Oil	295
Aluminium	250	Interntl. Nickel	425
Atlantic Coast	30	Jacobus	20
Bailey Selb A	75	Kerr Addison	150
B A Oil	220	Madson R L	30
Bruns. M. & S.	45	Maritime	18
Calgary Power	225	Massey Ferguson	95
Campbell Chib.	70	Murray Mining	21
Can Tungsten	27	New Dickenson	35
Cdn Delhi	60	New Hosco	16
Cdn Devonian	55	North Coldstr'm	20
Cdn Export Gas	25	N Ont Nt Gas	145
Cdn Huskey	80	Opemiska	70
Cdn Oil	200	Orchan	20
Central Del Rio	55	Pacific Pete	130
Cochenor Wilns	45	Provo Gas	29
Copper Rand	20	Quebec Nat Gas	95
Denison Mines	120	Royalite Oil	85
Dom Fdy & Stl	430	Sherritt Gordon	35
Dominion Stres	450	Steep Rock	100
East Malartic	30	Trans Can Pipe	200
Falconbridge	275	United Oils	20
Geco	200	W Cdn Oil & Gs	20
Giant Yel'knife	130	Westcoast Trans	190
Gunnar Gold	90	Yel'knife Bear	18

Savings Bonds: Last Call Now

Investors have until Wednesday, Aug. 31, to buy the 1959 issue of Canada Savings Bonds.

Current price is 104.15, which maintains the original effective yield of 4.98% to maturity.

Some investment dealers are advising clients to buy the 1959 issue, on the expectation that the 1960 series will have a lower yield when offered in October.

The 1959 savings bonds will pay 103% of face value upon maturity in 1968, the extra three points being a non-taxable bonus.

The nine annual coupons start at 4%, payable next November. Late purchasers will receive this interest payment, together with 4¼% the second year, 4½% the third, and 5% the remaining six years.

Originally offered last October, the 1959 bonds have been purchased (in the amount of $1,523.5 million) by some 1,464,900 buyers. Individuals may buy up to $20,000.

July Wood Pulp Production Increased 4.2% Over 1959

MONTREAL (Staff) — Canadian wood pulp production during July was 908,503 tons, an increase of 4.2% over the same month a year ago.

Seven-month figures show production at 6.4 million tons, a 6.2% increase over the same period of 1959.

Paperboard production during July was down 9.9% at 75,166 tons. However, for the seven months paperboard production was 4.3% ahead of last year.

Here are the comparative details:

	JULY 1960	1959	% Change
	Tons		
WOOD PULP			
Output	908,503	871,995	+4.2
Use in Canada	697,928	683,764	+2.1
Exported	210,356	205,697	+2.3
PAPERBOARD			
Output	75,166	83,471	—9.9
Use in Canada	69,152	74,565	—7.3
Exported	5,988	4,173	+43.5
	FIRST SEVEN MONTHS 1960	1959	% Change
	Tons		
WOOD PULP			
Output	6,423,548	6,049,403	+6.2
Use in Canada	4,925,838	4,642,429	+6.1
Exported	1,488,280	1,401,210	+6.2
PAPERBOARD			
Output	561,932	538,544	+4.3
Use in Canada	500,062	499,013	+0.2
Exported	56,581	38,106	+48.5

Price Earnings Ratios

RATIO OF MARKET VALUE TO EARNINGS OF THE 20 STOCKS COMPRISING THE TORONTO STOCK EXCHANGE AND INDUSTRIAL INDEX

EARNINGS PER SHARE	PRICE Aug. 19	RATIO Aug. 19	WEEK PREVIOUS	MONTH AGO	YEAR AGO
$52.96	$758.25	14.19	14.02	13.53	18.95

Average Yields

(COMPILED BY MOSS, LAWSON & CO.)

	AUG. 19 %	WEEK AGO %	MONTH PREVIOUS %	YEAR AGO %
114 Average Stock Yields	4.76	4.80	4.85	4.14
6 Banks	3.62	3.77	3.84	2.92
18 Preferred and "A" Stocks	5.10	5.15	5.12	4.81
64 Common Industrials	4.39	4.45	4.52	3.69
26 Mining	5.71	5.68	5.90	5.05

Advances and Declines

Week Ended	Toronto Ups	Toronto Downs	Toronto No Change	Montreal Ups	Montreal Downs	Montreal No Change
July 15	283	374	166	84	122	120
July 22	241	415	171	74	119	145
July 29	292	356	182	69	128	132
Aug. 5	351	274	156	101	100	127
Aug. 12	440	227	148	185	67	156
Aug. 19	354	312	155	108	84	127

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	N.Y.S.E.	American
Aug. 22	326,100	1,586,000	47,575	96,414	2,760,000	1,260,000
Aug. 19	260,200	1,938,000	51,560	78,033	2,570,000	1,090,000
Aug. 18	344,500	1,825,000	27,650	97,093	2,890,000	1,060,000
Aug. 17	223,500	1,549,000	45,100	63,867	3,090,000	1,130,000
Aug. 16	279,500	1,774,000	19,182	48,296	2,710,000	1,220,000

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 10	Milling 4	Oils 4	Textiles and clothing 7	Food and allied prod. 13	Beverages 8	Bldg mater. 14	Total Industrials 73	Banks 7	Total utilities 14	Total co's 93
1935 to date:												
High	947.5	1238.1	252.0	285.5	410.5	304.8	724.4	590.5	315.9	399.1	218.9	297.8
Low	68.5	51.6	59.7	40.9	77.7	72.4	79.3	68.7	56.1	68.4	64.5	60.6
1960 Monthly Figures:												
Jan.	741.9	1156.8	204.2	180.2	203.2	224.5	656.0	518.0	267.6	332.8	191.0	259.2
Feb.	713.0	1080.0	194.0	173.8	197.2	216.8	634.6	488.7	257.9	316.3	186.8	249.9
Mar.	671.4	1058.1	181.5	170.8	190.6	215.8	611.0	462.2	249.3	305.8	184.5	242.3
Apr.	682.2	1101.4	181.8	173.2	189.1	230.0	625.6	469.2	256.7	309.1	188.2	248.8
May	699.2	1124.7	184.8	168.0	190.9	224.5	632.5	466.7	257.4	308.8	188.1	249.2
June	685.7	1156.6	190.6	165.4	189.5	228.0	643.3	455.8	258.3	317.7	190.6	251.0
1960 Weekly Figures:												
July 7	658.[illegible]	1138.3	182.4	164.4	183.3	235.3	641.6	435.1	255.4	316.1	187.6	248.2
July 14	634.1	1120.6	183.7	162.4	181.8	235.6	646.2	430.0	251.9	308.3	188.5	245.1
July 21	634.4	1099.7	182.7	161.7	186.3	233.2	638.8	416.3	247.9	311.8	187.4	242.2
July 28	619.5	1088.3	181.1	159.0	182.9	230.4	629.1	411.2	243.9	309.8	185.7	238.7
Aug. 4	614.3	1093.0	183.0	159.0	179.6	233.8	623.6	410.4	244.9	311.9	187.2	239.9
Aug. 11	649.5	1121.3	188.2	172.1	180.1	236.7	642.7	417.4	253.9	314.9	190.9	247.5
Aug. 25	664.8	1143.7	189.0	177.1	180.5	241.6	649.1	427.5	259.4	329.7	192.5	253.0

*High and low for year from 1935 to date inclusive are based on weekly figures used by the Dominion Bureau of Statistics.

TORONTO STOCK EXCHANGE INDEX

	20 Indust	20 Golds	15 B.M.	15 W.O.
Aug. 22	496.88	81.50	156.27	86.52
Aug. 19	496.25	81.28	157.34	86.23
Aug. 18	493.63	80.52	156.68	85.46
Aug. 17	492.94	80.18	156.48	85.64
Aug. 16	492.38	81.30	156.47	86.93
Month Ago	473.75	77.33	150.43	78.38
Year Ago	528.25	87.66	172.55	115.16
1960 High	533.85	90.20	176.74	106.78
1960 Low	471.44	74.88	149.56	77.78

MONTREAL STOCK EXCHANGE INDEX

	10 Util.	20 Indust	30 Com	10 Pprs	15 Golds
Aug. 22	141.0	273.4	229.2	425.8	70.60
Aug. 19	140.5	271.3	227.7	430.1	67.96
Aug. 18	140.4	269.3	226.4	429.2	67.78
Aug. 17	139.8	268.3	225.5	427.1	67.47
Aug. 16	140.2	268.1	225.5	429.8	67.49
Mon Ago	135.8	260.6	219.0	415.5	69.16
Year Ago	150.5	314.6	259.9	430.6	88.73
1960 High	145.1	320.0	261.7	466.7	85.34
1960 Low	135.1	259.3	218.5	409.3	66.66

DOW-JONES CLOSING STOCK AVERAGES

	30 Indust.	20 Rails	15 Util.	65 Stocks
Aug. 22	630.71	139.42	95.83	209.29
Aug. 19	629.27	139.73	95.53	208.95
Aug. 18	625.82	139.32	94.84	207.83
Aug. 17	626.54	139.52	94.84	208.03
Aug. 16	625.43	138.99	94.76	207.62
Month Ago	609.87	135.84	93.12	202.89
Year Ago	653.22	162.38	91.44	218.19
1960 High	685.47	160.43	95.83	222.62
1960 Low	599.10	132.37	85.02	198.00

Municipal Bonds

Aug. 23, 1960

			Bid	Ask.	%
Halifax	4¼	'71	88	90	5.50
Hamilton	6	'79	101¾	103¾	5.67
Metro. Tor.	5¼	'70	101	103	5.53
Montreal	6	'79	100	102	5.82
Ottawa	5½	'79	99	101	5.42
Regina	5¾	'82	95	97	6.00
Vancouver	6	'80	100½	100½	5.78
Winnipeg	5¼	'77	94	96	5.62

Worth Noting

Financing agreements and changes in financing deals, major changes in capital, filing statements are listed as reported by the Toronto and Montreal exchanges, Ontario Securities Commission.

AVA GOLD MINING states completion of examination of 15 mining claims.

CANDORE EXPLORATIONS to release 41,666 escrowed shares held by **Sterling Trusts.**

CONSOLIDATED BETA GAMMA MINES terminates agreement on underwriting for 200,000 shares at 12½c as Aug. 4 option installment not exercised.

CONSOLIDATED MORRISON EXPLORATIONS amended agreement to drill one test hole on property; also option to Low and Morrow on 50,000 shares at 25c extended to Aug. 13, 1961.

JOMAC MINES filed statement to show share position and four months' extension of all option payment dates.

NATIONAL MALARTIC GOLD MINES reports purchase of further 100,000 shares at 40c by **A. G. White & Co.**, also change in board of directors.

NISTO MINES LTD. participation in **Transarizona Resources** of $66,850 advanced, in return for $15,000 first mortgage, $36,175 as debenture and 187,000 shares of stock. Company participation of 6.23% in Transarizona. TSE filing statement.

RACHEL LAKE MINES incorporated June 10, 1960; authorized five million shares at $1 par, issued 900,007, escrowed 810,000.

WEST RANGE IRON MINES, formerly Strat Nickel Mines, authorized five million shares at $1 par, issued 1,105,507, escrowed 810,000 agreement by **Kippen & Co.** to purchase 250,000 shares at 20c, options on further 600,000 in three 200,000 blocks at 20c, 25c and 30c.

Gold Bars Quoted

Rate Reported by Doherty, Roadhouse & Co., Toronto.

Canadian kilo bars of gold approximately 32 oz. each

Aug. 23, 1960

	Bid	Asked
	per oz.	
Latest week	$33.95	$34.25
Previous week	$33.85	$34.15

Mutual Funds

	Divd. pd. cents▲	Bid	Ask.
All-Can. C. Fd.	15.128(30.563)	6.45	7.01
All-Can Div Fd.	12(32)	5.03	5.47
American Growth	7(18)	7.83	8.53
Assoc. Investors	17(33½)	7.58	7.66
Can. Invest. Fund	26(38)	7.83	8.53
Canafund	70(125)	34.59	36.32
Champion Mut Fund	8(21)	5.23	5.75
C'wealth Inter	24(29)	7.88	8.66
Com. Lev. Fund	10(10)	6.35	6.98
Corporate Inv	16(42½)	8.60	9.39
Diversified Inc. B	11.2(10.8)	3.60	3.95
Dom Equity	33(52)	14.45	14.77
Dom Comp Fund	16(38)	8.49	8.83
Do nonres	16(38)	8.43	8.77
Dominion Funds	16(38)	8.03	8.35
First Oil & Gas		3.45	3.77
Group Accum.		5.10	5.57
Grouped Inc.	10.45(23.7)	3.40	3.72
Growth Oil & Gas		6.28	6.60
Invest. Growth	14.5(10.5)	5.79	6.26
Investors Mutual	26(33)	10.93	11.82
Mut. Acc. F.	12.26(23.87)	7.10	7.76
Mutual Bond		6.20	6.49
Mutual Income	17.87(26.16)	4.63	5.06
North American	12(‡20)	8.24	8.96
Sav. & Inv. Mut.	13.5(18)	4.89	5.35
Sup'vised Amer	6(12)	6.91	6.98
Sup'vised Executive (1955)		37.34	...
Sup'vised Executive (1956)		30.63	...
Sup'vised Executive (1957)		5.24	...
Sup'vised Executive (1958)		5.54	5.60
Sup'vised Gr'th Fund	(3.5)	1.60	1.62
Sup'vised Inc Fund	8(17)	3.85	3.89
T.V. Electr's	16♦(95■)	8.03	8.74
Timed Invest.	13(25)	5.40	5.83
Trans-Can. A	55.8(95.2)	25.20	...
Do. B	94.4(91.1)	26.25	...
Do. C	18(18)	5.25	5.75
United Accum. Fund	16(24)	14.12	15.34

‡Including initial.

▲Paid or payable in 1960, total paid in 1959 in parentheses.

■Of which 62½ (U.S.) cap. gains dist in 1959

♦Of which 8c (U.S.) was paid following 2-for-1 stock split.

Unlisted Mines and Oils

(Compiled from Quotations by G. E. Leslie & Co., Montreal)

Aug. 22, 1960

Alsab	25	45	Lk Chib	..	10
Aconic	55	60	Main Oka	30	40
Amal Mng	10	20	Marpic	3	5
Do vt c	48	52	Matt Lk	2	4
Arnora	..	2	Matt Ex	8	13
Assoc Dev	4	6	Miller Cop	3	6
Atlas Chib	2	4	Natl Mal	43	48
Bald Mtn	3	6	Nipiron	9	12
Black Hwk	25	30	North Mat	12	17
Bros'n Chib	5	8	Oklend	3	5
Big Nell	15	20	Pascalis	15	20
Bracemac	7	9	Pine Point	9	9½
Cdn Javin	7½	8½	Quedon	..	5
Copperstm	20	30	Quejo	2	4
Dauphin	10	15	Rand Mal	3	6
Franksin	..	20	Saucon	2.00	2.25
Gibson	4	8	Sheraton	[illegible]	[illegible]
Glencona	½	1	St Jude	1	3
Hastings	40	50	St Helen	..	20
Hull Iron	50	60	Scott Chib	1	3
Imp Min	8	13	Starlight	1	3
Independt	5	8	Valmont	..	11
Kenmac	1	3	Wm Leys	2	6
Lk Sup Ir	15	20	Young D	12	15
Lun Echo	20	25			

Profits Here?

A regular listing of latest studies by investment firms

CANADIAN FINANCIAL INSTITUTIONS—Graham, Armstrong Securities Ltd., 437 St. James St. W., Montreal.

IMPACT OF GAS EXPORTS — Annett Partners Ltd., 220 Bay St., Toronto.

ALBERTA GAS TRUNK LINE CO.—McDonnell, Adams & Co., 330 Bay St., Toronto.

SIX SELECTED GOLD STOCKS—Draper, Dobie & Co., 25 Adelaide St. W., Toronto.

CANADIAN COMMON STOCKS—Greenshields & Co., 507 Place D'Armes, Montreal.

Bond Tenders

5 P.m., Aug. 30, 1960, Town of Middleton, N.S.—5½% and 5¾% 1-10-year debentures, $45,000. Dated Sept. 1, 1960.

12 Noon, Aug. 25, 1960, Government of Canada, Treasury Bills—Due Nov. 25, 1960 and Feb. 24, 1961, $120,000,000. Dated Aug. 26, 1960.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Aug. 23, 1960

	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
Public Utility Issues:					
Alg Cen H.B.R	5½	'79	97¼	100¼	97½
Bell Phone	5	'72	97¼	99	96¼
Bowater Pwr.	3½	'80	79½	...	79½
Braz Traction L. & P.	4½	'70	79½	83½	79½
B C Electric	5½	'88	93	94½	92½
Do	5½	'77	99½	100½	98½
B C Phone	5	'82	93	95	93
Calgary Pwr.	3½	'72	79	...	79
Consumers' Gas	5	'78	94	96	93½
Gatineau Pr D	3½	'70	86	88	84
Gt Lakes Pr	5½	'77	97	99	97
Maclaren-Quebec Power	3	'69	84	...	83
Mexican L & P	5	'75	79	...	77
Nat L & Pr	4½	'81	99	...	99
North Que Pr	4½	'67	89½	...	89
Power Corp	5½	'77	94	...	94
Que Nat Gas	5½	'85	76	78	75½
St Maurice Pr	3½	'70	82½	84½	84½
Shaw W & Pr	4½	'76	92	94	90½
Tr Can P L	5.85	'87	93	95	92½
W'coast T Deb	5½	'88	84½	85½	83½
Industrial Issues:					
Abitibi Pr P	6¼	'77	103	106	102½
Do	4	'74	86	...	85½
Acadia-Atlantic Sugar	4	'74	84	...	82½
Alum of Can	4½	'73	92	94	91
Bathurst P & P	5½	'73	94½	...	94½
Bicroft-Uranium	5	'62	98	100	97½
Can Bread	4½	'67	89	91	89
Can Cement	5½	'76	95½	98½	94½
Can Steamship	4	'66	90½	...	90½
Cdn Brew	4½	'81	86	88	86
Cdn Canners	3½	'70	86	88	83
Cdn Celanese	3½	'62	94½	...	94½
Cdn Chem Co	5½	'71	93	...	92½
Cdn. Industries (1954) Ltd.	3½	'74	85	87	84
Cdn Dyno	5	'63	97	99	96½
Cdn. Oil	4	'76	85	88	83½
CPR	3½	'72	85	87	83½
Do	3½	'66	91	93	91
Can-Met	5½	'63	93½	95	92
Cockshutt F E	4½	'65	90½	93½	89½
Cons Denison	5	'62	98½	...	98
Dom Fdrs & S	4½	'69	91½	93½	91
Dom Stores	5½	'76	98	...	97½
Dryden Paper	4½	'74	85½	...	85½
T Eaton Accept	4½	'74	90½	93½	89½
T Eaton Realty	5½	'76	96½	98	92½
E B Eddy	4	'74	78	...	76½
Elk Falls Co	5	'75	88	...	84
G Motors Acc	4½	'69	94	...	93
Gt Lakes Pap	5	'76	93½	96½	93½
Gunnar Mines	5	'60	99	...	99
Hud Bay O & G	4½	'75	82½	85½	82
Husky Oil	5	'69	85	87	85
Imp Tobacco	3	'70	84	86	84
Imp Oil	3	'69	86½	89	86
Indust Accept	6	'77	100	102	99½
Loblaw Groc	6	'77	100½	103	100½
Do	4½	'76	...	...	120
Lorado Uran	6	'62	99½	100½	99½
Maple L M	3½	'63	92	94	92
Massey-Ferg	4½	'76	84½	87½	84½
Milliken Lk	6	'62	99½	99½	98½
North Cdn Oil	5	'75	71½	...	71½
Northspan	5	'63	96½	97½	96
Northstar Oil	4½	'78	88	90	84½
Ont. Jockey Club ex wts	5½	'72	88	90	87½
Phillips Elect	5	'73	87½	...	87½
Price Bros	3½	'66	89½	91½	89½
Regent Refining	4½	'75	83½	86½	83½
Rio Tinto	5	'63	97	...	97
St Law Corp	5	'72	94½	96½	94
Do	6½	'80	105½	105½	103½
Sal-Shirriff-H	6	'77	100½	...	100
Simpsons Ltd	4½	'73	92	94½	92½
Steel Co	2½	'67	100	102	86
Traders Finance	4½	'71	89½	...	89½
Union Accept	5½	'68	90½	...	90½
Un Grain Gr	3½	'70	81	84	81
West Cdn O & G cum. wts.			90½	91½	90½
Weston, Geo.	4½	'71	93	96	93
CONVERTIBLE ISSUES					
Abitibi P & P	4½	'66	99	101	99½
Atlas Steel Ltd	5	'67	98½	102½	98
Braz Tr L & P	4½	'71	74	77	74½
B C Electric	6	'84	105½	107	106½
CPR	4	'69	89½	91½	90
Cdn Petrofina	4	'72	81½	...	81½
Cockshutt F Eq	5	'68	90½	93½	89½
Home Oil	5½	'71	89½	92½	89½
Do	6	'75	96½	98	97
Shaw W & P	5½	'72	106½	109	106
Westcoast T	5½	'88	90	92	88½
Loblaw Groc	4½	'76	118½	...	118
Phillips Elect	5	'70	89½	92½	89
S'wood Dairies	5½	'72	93½	...	93½
Trans Emp Oils	5	'66	95	...	95
Do	5½	'67	95	...	95
Triad Oils	4½	'71	79½	81½	78½

Dividend Changes

BEAUBRAN CORPORATION — Ordinary, 60c payable Sept. 15 to holders of record Aug. 31. Total paid or payable to date in 1960, $1.20; total paid to same date in 1959, $1.10; total paid in 1959, $1.10.

CANADIAN WALLPAPER MANUFACTURERS—Common class A and class B, $1.50 payable Sept. 12 to holders of record Aug. 30; ex-dividend Aug. 26. Total payable to date in 1960, $1.50; total paid to same date in 1959, $1.25; total paid in 1959, $1.25. Recent price: class A, $36, class B, $35.

HOLLINGER CONSOLIDATED GOLD MINES — Common, 6c plus 9c extra payable Sept. 30 to holders of record Sept. 2; ex-dividend Aug. 31. Previously, extras of 6c per share were paid on March 31 and June 30, 1960. Recent price: $21.50.

UNION ACCEPTANCE — Common, 7½c plus 20c extra payable Oct. 1 to holders of record Sept. 15; ex-dividend Sept. 13. The previous extra was 10c paid Jan. 1, 1960. Recent price: $8¾.

WESTEEL PRODUCTS — Common, 15c payable Sept. 15 to holders of record Aug. 26; ex-dividend Aug. 24. Total paid or payable to date in 1960, 55c; total paid to same date in 1959, 60c; total paid in 1959, 80c. Recent price: $12¾.

Foreign Exchange Rates

Noon Value in Canada
Week Ended Aug. 23, 1960

Wed.	.96 21/32	2.71 11/16
Thurs.	.96 25/32	2.72 2/16
Fri.	.97	2.72 11/16
Mon.	.96 26/32	2.72 2/16
Tues.	.96 22/32	2.71 10/16
Ave.	.96 126/160	2.72 4/80

U. S. rate reported by Bank of Canada

U. K. bid rate reported by Toronto-Dominion Bank

- Parking Operation and Management
- Parking Consultants
- Automated Parking Equipment

DILLCO PARKING SYSTEMS Ltd.

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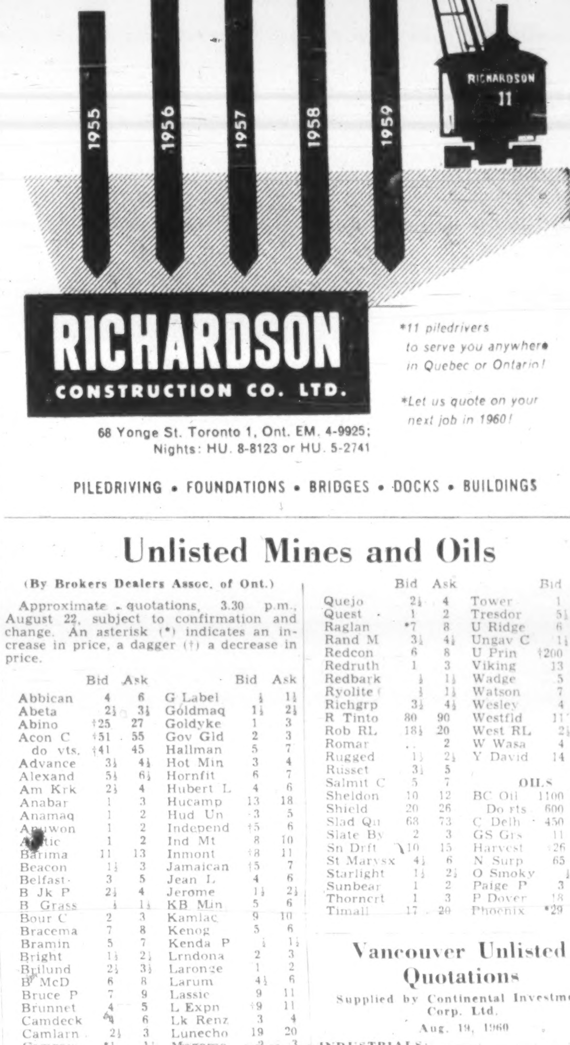
A. W. ADKISSON, 2018 W. T. Waggoner Bldg., Ft. Worth 2, Texas

We've broken the record for piledriving contracts completed in '59.



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PILEDRIVING • FOUNDATIONS • BRIDGES • DOCKS • BUILDINGS

Unlisted Mines and Oils

(By Brokers Dealers Assoc. of Ont.)

Approximate quotations, 3.30 p.m., August 22, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abbican	4	6	G Label	½	1½
Abeta	2½	3½	Goldmaq	1½	2½
Abino	†25	27	Goldyke	1	3
Acon C	†51	55	Gov Gld	2	3
do vts.	†41	45	Hallman	5	7
Advance	3½	4½	Hot Min	3	4
Alexand	5½	6½	Hornfit	6	7
Am Krk	2½	4	Hubert L	4	6
Anabar	1	3	Hucamp	13	18
Anamaq	1	2	Hud Un	†3	5
Apowon	1	2	Independ	†5	6
Arctic	1	2	Ind Mt	8	10
Barima	11	13	Inmont	†8	11
Beacon	1½	3	Jamaican	†5	7
Belfast	3	5	Jean L	4	6
B Jk P	2½	4	Jerome	1½	2½
B Grass	½	1½	KB Min	5	6
Bour C	2	3	Kamlac	9	10
Bracema	7	8	Kenog	5	6
Bramin	5	7	Kenda P	½	1½
Bright	1½	2½	Lrndona	2	3
Brilund	2½	3½	Laronge	1	2
B McD	6	8	Larum	4½	6
Bruce P	7	9	Lassie	9	11
Brunnet	4	5	L Expn	†9	11
Camdeck	4	6	Lk Renz	3	4
Camlarn	2½	3	Lunecho	19	20
Camray	*1	1½	Magoma	2	3
C Rd C	7	9	Main O	30	35
C Al M	1½	2½	Mal RL	3½	4
Cr Fr	100	120	Manecho	2½	3
Caral	3	5	Marchnt	†27	32
Cstlbar	10	12	Maree	½	1½
Cent Man	2½	3	Mar Bird	2½	3½
Cent Hill	2	4	Mat Can	6	8
Chellew	1½	2½	Mat Yel	4½	5½
Clinger	2½	3½	McCuaig	2½	3½
Clix	1½	2½	McFinley	4	5
Colubr	1	2	Miles RL	2	3
Comstock	3	5	Minds	160	175
Con Cop	9	10	Montco	1	3
Con Dur	18	22	Mirado	7	9
Cdn Frd	16	20	M Keno	1	2
Con Hrp	6½	8½	Mrky F	10	15
Con Pnt	40	50	Murmac	1½	2½
Cordell	2	4	Nasco	1½	2½
C Vauze	91	95	Nat Nw	*44	47
Crackst	3	4	Nw Aug	2	3
Craibee	30	32	N Insco	4	6
Croydon	1	2½	Nw Met	4	5
Derlac	4	5	N Redwd	2½	4
Despina	5	6	N Walc	1½	2
Destrad	½	1½	Nicoba	2	3
Dom Ex	20	23	Nickel L	1	2
Dumont	35	45	Nipiron	8½	9
Dunvegn	3	4	N Offset	4½	6
E Lun	1	2	Normar	1½	3
Echo In	½	1	Oceanic	20	30
Ego	7	8	Oklend	3	5
El Bonan	1	2	Orofino	16	18
Evenlde	10	11	Pacemak	2	4
Exp All	2	3	Pascalls	16	18
Farcroft	1	3	Pax Nw	9	15
Forty F	55	70	Pelango	1	2
Gan Cop	2½	3½	Penelop	25	30
Gateway	3	4	Pickering	4½	5½
Glenburk	4½	5½	Picton	2	3
Glencona	½	1	Pn Pnt	900	950
Glen Ech	2	4	Pitchn	5½	7
G Harker	6½	8	Prudent	4	6

	Bid	Ask		Bid	Ask
Quejo	2½	4	Tower	1	3
Quest	1	2	Tresdor	5½	7
Raglan	*7	8	U Ridge	6	8
Rand M	3½	4½	Ungav C	1½	2½
Redcon	6	8	U Prin	†200	205
Redruth	1	3	Viking	13	15
Redbark	½	1½	Wadge	5	8
Ryolite	½	1½	Watson	7	10
Richgrp	3½	4½	Wesley	4	5
R Tinto	80	90	Westfld	11	15
Rob RL	18½	20	West RL	2½	3½
Romar	..	2	W Wasa	4	4½
Rugged	1½	2½	Y David	14	15
Russet	3½	5			
Salmit C	5	7	**OILS**		
Sheldon	10	12	BC Oil	1100	1300
Shield	20	26	Do rts	600	700
Slad Qu	68	73	C Delh	450	475
Slate By	2	3	GS Grs	11	13
Sn Drft	†10	15	Harvest	†26	29
St Marysx	4½	6	N Surp	65	75
Starlight	1½	2½	O Smoky	½	1½
Sunbear	1	2	Paige P	3	
Thorncrt	1	3	P Dover	18	20
Timall	17	20	Phoenix	*29	32

Vancouver Unlisted Quotations

Supplied by Continental Investment Corp. Ltd.

Aug. 19, 1960

INDUSTRIALS:		
B. C. Sugar	30.25	31.00
Cariboo Brew	.25	.35
Centennial Mortgage	1.75	1.85
Kitimat Hotel	1.35	1.50
National Forest Product	1.15	1.50
Pacific Western Airlines	1.70	1.80
Johnston Terminals	8.25	9.00
Vectoll Investments	.20	.23
MINES & OILS:		
Anglo-Pacific	.10	.12
Alascan Oil & Gas	.08	.12
Alamos	.13	.15
Bridge River United	.08	.10
Bethsaida	.03	.05
Columbia Explorations	.39	.43
Coast Copper	3.50	4.50
Centennial Mines	.08	.12
Crown Silver	.03	.05
Deep Gulch	.10	.15
Earlcrest	.50	.55
Hurley River	.05	.10
Jericho Mines	.10	.12
Midland Pete.	.06	.07
Minex Dev	.02	.04
Mt. Washington Copper	.42	.45
New Wellington	.20	.22
Northern Gem	.05	.20
Peel Resources	.18	.22
Privateer	.12	.14
Salmo Prince	.03	.05
Sileurion Chief	.06	.10
Sherritt-Lee	.65	.70
Silver Butte	.07	.10
Sunloch	.25	.35
Trans Western Oils	.09½	.11
Tombac Mines	.08	.10
Taiga Mines	.15	.25
Tofino	.03	.06
Vimy Explorations	.05	.07
Westcoast Resources	.14	.18
Yankee Dundee	.16	.19
Yreka Mines	.50	.65

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DIVIDEND NOTICES

HOLLINGER CONSOLIDATED GOLD MINES, LIMITED

DIVIDEND NUMBER 444 AND EXTRA DIVIDEND

A regular dividend of 6c per share, and an extra dividend of 9c per share, has been declared by the Directors on the Capital Stock of the Company, payable on the 30th day of September, 1960, to shareholders of record at the close of business on the 2nd day of September, 1960.

DATED this 16th day of August, 1960.

P. C. FINLAY, Secretary.

DIVIDEND NOTICE

DIVIDEND of 25 cents per share has been declared by the Board of Directors, Crown Zellerbach Canada Limited payable October 1, 1960 to Class "A" Shareholders of record at the close of business on September 9, 1960.

T. A. A. Fraser, Secretary
Crown Zellerbach Canada Limited
Vancouver B.C., August 22, 1960.

CANADIAN WALLPAPER MANUFACTURERS LIMITED

NOTICE is hereby given that a dividend of One Dollar and Fifty Cents ($1.50) per share has been declared on the Class A and Class B shares of the Company, payable on and after September 12th, 1960 to shareholders of record at the close of business on August 30th, 1960.

By Order of the Board.

R. E. MAYO, Secretary-Treasurer.

New Toronto, Ontario, August 18, 1960.

WESTEEL PRODUCTS LIMITED

DIVIDEND NO. 62

The Board of Directors of Westeel Products Limited, at a meeting held on the 17th day of August, 1960, declared a quarterly dividend of fifteen cents (15c) per share on the outstanding shares of the Company, payable on the 15th day of September, 1960 to shareholders of record at the close of business on the 26th day of August, 1960.

By Order of the Board.

A. W. MORRISON, Treasurer.

Toronto, August 18th, 1960.

CANADA PACKERS LIMITED

Dividend Notice

NOTICE is hereby given that dividends aggregating $1.75 per share have been declared on the Class 'A' and Class 'B' shares of the Company, payable 87½c per share on October 1st, 1960 to shareholders of record at the close of business on September 2nd, 1960, and 87½c per share on April 1st, 1961, to the shareholders of record at the close of business on March 3rd, 1961.

J. D. A. EVERS, Secretary.

Dated at Toronto, 18th August, 1960.

BRITISH COLUMBIA PACKERS LIMITED

CLOVER LEAF SEAFOODS

NOTICE IS HEREBY GIVEN that the Directors of British Columbia Packers Limited have declared the following dividends:

CLASS "A" SHARES

A dividend of 37½c per share on its Convertible Non-redeemable Class "A" Shares.

CLASS "B" SHARES

A dividend of 50c per share on its Class "B" Shares.

The foregoing dividends are payable on September 15, 1960, to shareholders of record at the close of business on September 1, 1960.

DATED at Vancouver, B.C., this 18th day of August, 1960.

By Order of the Board.

D. A. BAXTER, Secretary.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a dividend of Fifty Cents per share on the paid-up Capital Stock of the Corporation for the current quarter has been declared, the same to be payable Saturday, the 1st day of October, 1960, to shareholders of record at the close of business on the 15th day of September, 1960.

By Order of the Board,

GEO. D. LAVEROCK, Secretary.

Toronto, August 17th, 1960.

DIVIDEND NOTICES

CHARLES E. FROSST & CO.

CLASS A DIVIDEND NO. 4

Notice is hereby given that a Dividend of Fifteen (15) Cents per share has been declared on the Class A stock of the Company payable on September 21, 1960 to shareholders of record at the close of business on August 31, 1960

By Order of the Board

CHARLES E. FROSST, Secretary

Montreal, Quebec, August 12, 1960.

LOBLAW GROCETERIAS CO. LIMITED

Notice is hereby given that a dividend for quarter ending October 14, 1960, has been declared on the capital stock of the Company as follows:

First Preference Shares, Cumulative Redeemable Series "B" — 40 cents per share

The dividend will be payable October 15, 1960, to shareholders of record at close of business on the 14th day of September, 1960. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.

R. G. MEECH, Secretary.

Toronto, August 12, 1960.

GATINEAU POWER COMPANY

DIVIDEND NOTICE

Notice is hereby given that the Board of Directors has declared regular quarterly dividends of $1.25 and $1.37 a share on the 5% and 5½% Cumulative Preferred Shares, a regular quarterly dividend of 40c a share on the Common Shares, in each case payable October 1, 1960, to holders of record at the close of business September 1, 1960. Cheques in payment will be mailed. Stock Transfer Books will not be closed.

A. E. GADBOIS, Secretary.

Hull, P.Q. August 17, 1960.

Giant Yellowknife MINES LIMITED

DIVIDEND NO. 17

NOTICE IS HEREBY GIVEN that a dividend of Ten Cents (10c) per share, has been declared by the Directors of Giant Yellowknife Mines Limited, payable in Canadian Funds on Sept. 30, 1960, to shareholders of record at the close of business on Sept. 7, 1960.

To holders of share certificates issued in the name of

CONSOLIDATED SUDBURY BASIN MINES LIMITED (or its predecessor company) ONTARIO PYRITES COMPANY LIMITED

your certificates are exchangeable for certificates of Giant Yellowknife Mines Limited. To ensure receipt of reports and dividends, it is important that certificates be forwarded promptly for exchange to Crown Trust Company, 302 Bay Street, Toronto 1, Ontario

By Order of the Board.

A. C. CALLOW, Secretary.

Toronto, Canada, August 3, 1960.

IMPERIAL TOBACCO COMPANY OF CANADA LIMITED

Dividend

NOTICE IS HEREBY GIVEN THAT

An Interim Dividend (No. 239) of Twelve and one-half Cents (12½c) per share on the paid-up Common Shares of the Company has been declared payable on Friday, the 30th day of September, 1960 to shareholders of record at the close of business on Wednesday, the 31st day of August, 1960.

A Semi-Annual Dividend (No. 97) of Three per cent (3%) on the paid-up 6% Preference Shares of the Company has been declared payable on Friday, the 30th day of September, 1960 to shareholders of record at the close of business on Wednesday, the 31st day of August, 1960.

BY ORDER OF THE BOARD.

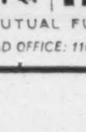
RENE PHANEUF, SECRETARY

MONTREAL, P.Q. 19th August, 1960.

98th CONSECUTIVE DIVIDEND

A quarterly dividend of 8c per share payable September 21st, 1960, to shareholders of record August 19th, 1960, has been declared by the Directors of Corporate Investors Limited.

A "Brief Description" outlining the many excellent investment features of the Fund is now available.



Ask your Dealer or Broker for details

corporate INVESTORS

A MUTUAL FUND—FOR FAMILY PROTECTION

HEAD OFFICE: 1106 C.P.R. BUILDING — TORONTO — CANADA

Market Bid and Ask Quotations

Montreal & Toronto Aug. 23, 1960

Stock	Bid	Ask	Stock	Bid	Ask
xAbacus	19	20	xAnch	7½	9½
Abitibi	39¼	39¾	Ang Am	630	660
Do p	24	24¼	Ang-C Tel	50½	51
Ac-Atl	10¾	11	A Plp p	52	52
Do A	19½	19¾	xAng Hu	750	760
Do p	88½	91	xAng R	15½	18½
xAc Ur	7	7½	xAnsl	9	9½
xAcme	13	14	Anthes A	30½	34
Admi	14¾	14¾	Do B	..	33
xAdvoc	370	375	Do p	89	94½
Ag-S	20¾	21	xArc w	3½	4
xAgnico	65	71	xArea	81	83
xAkaitc	35	37	Argus	30	30½
xAlba	4½	5	Do 250 p	48	48¾
xAlta D	195	200	xArjon	8	9
xDo vt	155	160	xAsama	55	57
xDo w	70	79	Ash T	7½	8½
Alt Gas	22¾	22¾	Do A	90	90
Do p	104	104¼	Do B	9¼	10
xDo w	570	575	Do A	11½	..
xAP Con	38½	39	Do B	13	13
Alg C	17	17¾	xA Arc	25	26
Do p	53	53½	Atl A	16	..
xDo w	425	450	Do 1p	17	19½
Algma	33¾	34	xAtl C C	185	186
Algon	8	8¼	Atlas	21½	21¾
Do p	18¼	19½	xAt Yk	5½	7
xDo w	200	..	xAt-Ruf	8	9
xAll R	20	24	xAumac	6	7½
xAlmin	170	175	xAumaq	8½	9
Alumi	30½	30¾	xAunor	263	266
Do 1p	21½	22	Aut El N	7¾	8
Do 2p	45¼	46¼	Do F A	7	8¼
xA-Lar	20	22	xDo B	300	355
xA Rare	7	9	xBly SA	565	575
xAm L	7	8	Do p	17½	18½
xA Nep	43	46	Do 5¾	19¼	19½
xAnac	35½	39	xBanff	95	99
Analog	410	425	xBnkno	39	40
xDo w	150	250	xBnkfld	8	9

Stock	Bid	Ask	Stock	Bid	Ask	Stock	Bid	Ask	Stock	Bid	Ask
Bk Mtl	55¾	55¾	xC Morr	14	16	Do p	22	23½	Do p	22	26
Bk NS	62¾	62¾	xC Mos	160	164	Imp L	82½	83½	xN Cold	107	108
xDo r	510	515	xC Neg	14	15	Imp O	34½	34¾	xN Gate	36	38
Bque Cdn	53½	54¾	xC Nich	5	6	I Tob	12	12¼	xN Gldt	19	22
Bque Prov	35¼	36	xC Nor	26	27	Do p	6	6¼	xN Rk	56	58
Barb-E	80	..	xC Pers	9½	10	I Acc	40¼	40¾	xNsp A w	23½	30
xBrclna	430	..	xC Que	23	30	Do 450 p	92	92½	N St p	48	48
xBarnat	141	144	xC Red P	5	6	Do 255 p	46	47	**Northern**		
xBary E	38	39	xC Reg	6½	7	Do 275 p	53½	54	xN Can	140	147
xBase M	11	12½	xC San	5½	6	Do wts	15	15¾	No NG	12½	12¾
xBaska	7½	8	C Textile	250	300	Inger A	5½	6	NQ P	25½	26
xBata	3½	4½	xC W P	310	315	Inglis	410	440	Do 1 p	45	..
Ba In	300	525	C Gas	14½	14¾	Ingr B	8	..	xNor Ph	360	365
Bath A	41	43¾	Do A	105	..	Do p	11	..	xDo w	105	110
Do B	31	34¾	Do B	105	107	Jnl C p	16¾	17¼	xNthld	13	15
xB-Duq	12	13	Do w 1	14½	14¾	xIn G	450	475	Nthld U	17½	18½
Beatty	5¾	6¼	Con Glass	23¼	25	Do p	15¼	15½	NW U p	80	82
xBeav L	5	5½	Con C	36½	36¼	xDo w	130	140	xNorval	8	10½
B Lum	21¾	22	xCnwst	320	330	xInspir	28½	32	xN Bcage	40	100
Do A	17	..	Cop Cl	5¾	5¾	Int Bro	11	12¼	N.S. L&P	13¾	14
Do p	25	27	xC Cor	27	28	I Br p	22	22½	xNudul	11	13
xBeich	52	53	xCop-M	12	12½	xI Moly	6	7	Oak W	13	13
Bell	46¾	46¾	xCprnd	120	125	I Nickel n	53¾	53¾	xObask	5	5½
xBellet	16	30	Corb vt	16¾	17¼	I Util	34¼	34¾	xOBrien	67	68
xBthlm	60	63	Do B	16	16¼	Do p	40	40½	OC Cem	9¾	10
xBevcn	10½	11	Csmos	11½	12	Intprov	6½	7	Off Sp	12	14
xBibis	7	7½	xCoulee	32½	35	xI BC 59w	45	65	xOka R	11	12
xBicrft	47	50	xCourvan	12	18	Int Pl	54½	54¾	xOkalt	32	34
xBidcop	22	23	xCowic	21	25	xIP Stl	430	460	xOLear	9½	10
Bilt	6½	7	xCraig	180	195	Inv Syn	35½	38	xOB S	80	..
Do p	12¾	13½	xCrgmt	535	560	Do A	33¼	33½	Do p	9½	..
xBl Bay	6	7	Crain RL	17¾	18	xIrish	93	97	O Loan	26½	26¾
xBordul	3½	4½	C Telef	9¾	9¾	xIrn B	175	190	O Stl	21	21½
xBouzn	42	43½	xCrst	9	10	Iroq G p	12¾	13	Do p	..	124
Bow p	..	46½	xCrsbk	..	99	xIso	38	39	xOpem	640	655
Do 5½ p	50	55	Do p	11	13½	xJ Wai	26	27	xOrchan	117	120
Bow-Mer	48¾	49½	xDo w	..	15	xJacobus	119	120	xOrena	5½	6
Bowat	8¾	8½	xCroi	6½	7	Jam Pub	28	28¾	xOrms	22	27
Bowes	30	35	Cr Cork	54	55	Jam P S	..	104	Oshawa A	6¼	7
xBoymr	5	5½	Cr Tr	25	26	xJaye	15	17	xOsisk	27	30
xBrlrn	565	575	Cr Zell	44¾	46	Jeff	5½	6	Ovland	5¾	6
xBralsa	36	44	Cr Zellars	19	19½	xJellico	12½	13	Do p	8½	8¾
xBrazil	370	375	xCrowp	7½	8	xJburk	8	9	Pac P	10¾	10¾
Do p	75½	80	Crow	17½	17½	xJock C	210	215	xDo w	630	695
Br T n	..	6	Crush	7¼	7¾	Do p	9	9½	Pge Her	24½	24¾
Do p	46	47	Do p	101	103½	Do B p	7¾	8½	xPall	40	56
Bright	40	41	xCusco	4½	5	xDo w	23	29	xPamoil	31	33
Do p	20½	23	xDaer	12½	14	Jons-M	55¾	56	xPmour	61	62
xBritalt	240	245	Diex p	86	89	xJoliet	23	24	xParam	7	8
BA Oil	28½	28¾	xD'Ara	22	23	xJonsm	9	10	xPardee	17	20
BCE 4 p	77¼	..	xDe C	9	10	xJows	27½	32	xParker	350	375
Do 4¼ p	39½	41½	xDeer H	21	23	xJump P	17	18	Patno M	305	400
Do 4½ p	43½	44	xD'Eld	7½	8	xJupit	176	190	xDo w	13	19
Do 4¾ p	90	90½	xDelte	30	32	KEL D A	5¾	6	xPato	247	260
Do 5 p	48	49	xDenis	940	945	xDo wts	280	285	xPymst	16	17½
Do 5½ p	52¼	52½	xDev P	49	51	Kelvin	6¼	6½	xPce Exp	10	11
BC For	11¼	11½	D Seag	29½	29½	xKenvil	4½	5	xPrless	12	13
BC P A	14	15	Dome	20¼	20½	Ker Ad	13	13½	Pbina	6¾	7
Do B	14½	15	xD Pete	700	710	xKil	206	215	Do p	38	43
BC Pow	34½	34½	**Dominion**			Do C w	8	10½	Pnmns	29	30½
BC Phone	46	46¼	D Ang	515	..	xKirk M	18	20	Do p	110	115
[illegible]			[illegible]			[illegible]			[illegible]		

Toronto Curb

Stock	Bid	Ask	Stock	Bid	Ask
Andian	6¾	7	Du Pont p	73	..
A C	37½	37¾	Gaspe	17¾	20
Ang-N	6¾	6½	Hayes	72	72
Asbest	25¼	25¾	I Pap	94¾	96¼
B A B	51	..	Lob I n	10¼	10¾
xBuloio	480	490	M Lrn	71	80¾
CD Sug	17¼	17¾	MO Pap	28½	28¾
C Ving	32½	35	Ogilv	42¾	43¼
C Brnze	19½	21	Do p	130	144¾
Do p	83½	..	xPend O	232	235
CG Inv	30½	32	Price	39½	39¾
C Ing	40	42	Sngmo	10	12½
C Marc	455	460	xSW P	145	153
C Pap	40¾	41¼	Th CG I	6½	7
xDalh	13½	14	xYuk C	59	61
de Hav	180	240	Zellrs	34½	35
D Glass	70	75	(xToronto Gold)	33.95	34.25
Do p	13¾	..	x—Quoted in cents		
DOC	28¾	29½			
Du Pont	20½	20¾			

Calgary Oils

Quoted in Cents

Stock	Bid	Ask	Stock	Bid	Ask
Albedena	2	5	Merit	39	43
Aldina-Led	2½	4	Merland	10	12
Amalta	3	4½	Mill Creek	5	7
Anaconda	40	55	Mollusca	3	4
Bash Led	1¼	1¾	N Richfield	2½	..
Blue Cr	22	23½	N Y Oil	4	7
C Fortune	2	4	N C'tinental	¾	1½
Carleton	30	..	Nuco Pet	4	4½
Castle	12	13½	Pamoil	27	..
Claybar U	13	14	R'chmen's	6	..
Command	60	90	Ranger	100	..
Com Min	7	8	Renfrew	4½	6
D L'holds	145	155	Ro C Vent	10	12
Dom Min	1	1½	Sage	86	90
Dynamic	49	52	Sarcee	70	..
E Can Gas	2½	6	Sastex	1¾	3¾
Edoran	2½	2¾	Share	2¾	4
Gold Sat	3	..	Silver City	3	3½
Gold Spike	4	5	Siscalta	30	60
Ind Chem	..	40	Sturgeon	4¼	5
Kenare Pet	2	..	Transfield	1	2
Keno	17	22	Tri-Zone	1½	3
Leamac	5	6½	Tur Valley	7	20
Leduc Cal	4½	..	W Warner	5½	8
L'dmstr De	15	..			

Canadian Stock Exchange

INDUSTRIAL

Stock	Bid	Ask	Stock	Bid	Ask
Ang-Sc n	7½	8	Baker Tal	10	12
Atlas Tel	46	47	Band-Ore	3½	4
Beld Cort	11¼	12	Barvallee	4	4½
Do p	10¼	13	Bateman	8	9
Bel Stores	7½	..	Beatrice	3	4½
Do p	13½	..	Bel'chasse	21	23
Blue Bonnets R'way	5¼	7	Belle-Chib	3	5
			Bornite	4½	5
Btfly Ho	225	..	Burnt Hill	12	14
C Floor B	..	12½	Calumet U	3	3½
C Arena	160	..	Canalask	3½	5
C I Invest	15	19½	Canuba	2	2½
Do p	77½	..	Carbec M	8	10
Cdn P&P	5	6½	Cartier Qu	11	15
C Silk A	25	..	Cen Man	3	5
Catelli A	39½	40	Chem M	206	215
C Kod R	92	95	Chessmin	4	5½
C'zano A	130	..	Ch C Crp	12	14
C Div A	60	110	Chipman	7½	8
Do p	26	..	Cominga	4	5
C Textile p	11¼	..	C Monpas	6	10
Dalfen's	75	80	C Q Yell	4	5
Da & Fr A	44	48	C Vauze M	90	95
Dom. Eng.	14	15	Dolsan	5½	6
E Koot p	115	..	Fab Metals	9	10
Feralco I	..	75	Fano	2	3½
Freiman c	35	..	Fontana	3	4
Horner A	21	..	Fdy Bay	4½	5
Hub Flt	9	..	Gold Age	47	50
Do A	..	21	Gui-Por U	5½	7
I Paints A	..	15	Haitian	3	4
Do p	15	..	H'crest C	450	..
I Found	..	40	I Ceramic	26½	27½
Do p	50½	57½	Iso Uran	36	40
L'bert A	12¾	13½	Kontiki L	4	6
Do B	13	..	Lingside C	2	..
Latonia I	23½	24¾	Lithium	51	56
Lochaber	150	..	Massval	11	14
Melchers	..	7½	Mid-Chib	16	17
Do p	..	13½	Mogador	6	9
Mtl Ref A	17	20	Monpre	7	13
Do B	18	24	N Formaq	5½	6
Mt Ro Dry	6	6¾	N Jack L	3	4
M Ro Rice	20	20½	N S'Tiag	4	4½
Mussens	7¼	9	N W Amu	15	18
Nfld L&P	45	47	Nocana	4½	8
N W Ind	..	400	N A Asb	3½	5
PAC Atl	..	290	N A Rare	50	55
Paton Mfg	8¾	..	Obalski	10	12
Do p 7%	20	22½	Opemisca	11	..
Paul S S	6	8	Orchan U	117	124
Po Crp 1	43	44½	Partridge	5	..
Do 2nd	61	62½	Paudash	18½	19½
Prem Stl	7¼	8	Pennbec	11	15
Que-Tel	32½	33	Pitt	2	3
Do warr	12¼	13¼	Por Prime	8	9
Do A	20¾	20¾	Portage	32	37
R&M Brng	14½	16	Q Cobalt	295	300
Renold A	14	16½	Que Smelt	10	12
Ruby Foo Enterpr	300	315	Rbval Min	15	24
			Red Crest	2	..
Sangamo	10	..	St L Min	490	495
Sh & Save	6¾	7¼	S Dufault	16½	18
Sob Sts A	11	13	Std Gold	6½	10
Soca Ltd	125	170	Tache L	7	..
S Can p	116½	..	Tazin	5½	7
Tooke Br	..	35	Tib Expl	5	7
Tr C Crp	..	29	Trebor	3	5
Tr C Frzrs	5½	5¾	Vanguard	16	17
Un Am A	11¼	..	Virg Min	6	8
Do B	11½	..	Wendell	3	3½
Do vt A	11½	..	Westville	3	5
U L Corp	..	20	**OILS—Cents**		
U P Prop	200	205	Bluewater	13	20
Win Hotel	25	..	Bonn'lle	16	20
W'dford A	50	..	Castle	3½	5½
Do B	10	..	Faturity	18	19
MINES—Cents			Gaspe	3	4
Alscope	8	9	Gateway	1½	4
Ameranium	2	2½	Israel C	11	..
Anthonian	4	6	N Spr Co	2	3
Arno	4	4½	Quebec	2	3
Atlas Sulp	4½	7	Titan Pet	12½	13
Aug. Expl	25	26			

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$24.00	$24.00	$25.91
Hogs	25.00	25.00	24.00
Copper, lb.	.33	.33	.30
Coffee, lb	.35¾	.36	.35¾
Sugar, raw lb.	.0590	.0590	.0585
Hides	.11½	.11½	.29½

Weekly Commodity Indices

Dow Jones Fut.♣	143.22	143.56	151.41
U. S. Labor	119.3	119.4	119.3

Monthly Price Indices

	Latest month	Previous month	Same month last yr.
Retail C.P.I.* (July)	127.5	127.6	125.9
Canada (D.B.S.):			
W'sale (June)	231.9	231.3	230.6
C. F'm Pr.* (June)	225.1	220.0	228.0
U. S. W'sale (Apr.)	120.0	120.0	120.0
Gr. Br. W'sale♦ (Apr.)	112.4	111.9	111.2

Base of price quotations is as follows: Cattle-Steers good up to 1,000 lb., to price Toronto. Copper-electrotypes, New York. Coffee No. 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f.

*Base years 1947-49=100.
♣Base years 1924-26=100.
♦Base year 1954=100.

Stock	Bid	Ask	Stock	Bid	Ask
xTiara	3½	4	V Dar p	14½	15¾
xTidal	48	49	xWain	170	180
TT C A	5	5¾	xWaite	575	590
TT Tlrs	14	15	W G W	35¼	35½
xTmbill	36	40	xW Eq	475	525
xTorbit	25½	28	xWayne	7½	8
T-D Bk	55½	55¾	xWebb K	270	290
T Elev	11¼	11¼	xWeedon	5	6
T Gen T	42	45	xWernr	5½	10
T Iron	14½	15	xWspac	13½	15
Do A	13½	13¾	xW C OG	101	105
T Star p	58	58½	xDo w	28	30
xTowag	8	11	W Koot	126	..
T Fin A	37¼	37¾	xW Mal	3	4
Do B	36½	37¼	xWbrn	51	55
Do 4½	81½	85	xWstate	125	145
Do 5	37¼	37½	West	12½	13
Do A r	15½	..	W C Br	32½	34
Do B r	15½	..	xW Cop	205	215
xDo w 56	30	50	xDo w	50	51
xDo w 57	375	300	xW Dec	91	95
xTr Can	46	49	W G A	35¼	35½
T R C Pl	18	18¼	Do p	26	28
Tr-Mt	8½	8¾	xW Lse	315	395
Tr PPL	16	16½	xW Nac	25	29½
xTr Res	12½	14	W Ply B	11½	12
xTriad	220	230	xW Surf	14½	15½
xTribag	27	29	Wstn A	36	36¾
xTrin	9	10	Do B	36½	36½
xTw C G	350	400	Do p 4½	90½	93
xUlt-Sh	9½	10	Do p 6	104½	107
Un A	8¾	9	Do A w	14½	14¾
Do A 1 p	49	50	Wh 1 p	20	25½
Do A 2 p	9½	9½	Wh Pass	6¾	6¾
U Gas	14¾	14¼	xWlroy	122	125
Do p	53	53	xDo w	34	44
xU Min	17	18	xWiltsy	12½	13
xU Asb	425	435	xWinch	6	6½
xU Can vt	80	90	xWdfall	12½	14
U Cp A	28	28	xW Alx	425	450
Do B	21½	22	W GH p	92¾	..
Do p	26½	27½	Wood A	25¼	28
U Fl A	61½	62	Wood P	82¼	84
Do B	38½	38½	Wdrd A	16¾	16¾
xU Keno	680	690	xDoA w	540	590
xUn F	18	19	Wl Cb	8	9½
xU Oils	118	120	xWr H	110	114
Un Stl	5¾	5¾	xYale	13½	14½
xUpp C	100	103	xYan C	2½	3
xVanad	160	175	xYellor	5½	7½
xVando	4½	5	xYk B	90	91
xVen Pow	31	95	xYKn A	110	190
xDo p	150	195	xDo B	17	50
Vent	25¾	26	xYoung	76	78
Do debs	90	91½	xYukno	3	3½
xVespar	34	35	Zellrs 4½%	45	..
Viau	13	14	xZenith	260	270
Viceroy A	6¾	7	Do r	4½	6
xDo B	29..	330	xZenmc	17½	19
V G Tr	35½	36	Zulapa	15½	18
xViolM	95	100	x—Quoted in cents.		

Grain Prices

Winnipeg Futures

Week to Aug. 22, 1960

Crop year from Aug. 1, 1960 High	Low		High for Week	Low for Week	Close Aug. 22
		Oats—			
.84	.80¾	Oct.	.84	.81¾	.83¼
.79¾	.78¾	Dec.	.79¼	.78¾	.79½
.80¼	.78¾	May	.80	.78¾	.79¾
		Barley—			
1.02	1.00¾	Oct.	1.02	1.01¾	1.01¾
.99¼	.98¾	Dec.	.98¾	.98¾	.98¾
1.00¾	.99½	May	.99¾	.99½	.99¾
		Rye—			
1.06¼	1.02	Oct.	1.06¼	1.03½	1.05¾
1.05¾	1.02¼	Dec.	1.05¾	1.02¾	1.04¼
1.09	1.07¾	May	1.09	1.08	1.08¾
1.08½	1.08½	July	1.08½	1.08½	1.08½
		Flax—			
3.36	3.12½	Oct.	3.28½	3.13½	3.18¾
3.26	3.02¾	Dec.	3.13½	3.02¾	3.08¼
3.28¼	3.04	May	3.14½	3.04	3.10¼
3.10	3.05¾	July	3.10	3.05¾	3.06

Chicago Futures

Week to Aug. 22, 1960

Crop year from Aug. 1, 1960 High	Low		High for Week	Low for Week	Close Aug. 22
		Wheat—			
1.86½	1.84¼	Sept.	1.86½	1.84¾	1.85¾
1.93	1.90½	Dec.	1.92¾	1.91¾	1.92¾
1.98	1.95¼	Mar.	1.98	1.96¾	1.97¾
1.97¾	1.94¾	May	1.97¾	1.96¾	1.97¾
1.89½	1.32½	July	1.88¾	1.87	1.88¾
		Corn—			
1.16¾	1.14½	Sept.	1.16¼	1.15	1.15¼
1.13¾	1.10	Dec.	1.11	1.10¼	1.10¼
1.17¾	1.14¼	Mar.	1.15	1.14¼	1.14¼
1.19¼	1.16¾	May	1.17¾	1.16¾	1.16¾
		Oats—			
.68¾	.65¼	Sept.	.66¾	.65¼	.66¾
.72½	.69¼	Dec.	.71½	.69¼	.71
.74¾	.72¼	Mar.	.73¾	.72¼	.73½
.74½	.72¼	May	.73¾	.72¼	.73½
.67	.66	July	.67	.66	.66¾
		Rye—			
1.18¼	1.14	Sept.	1.15¾	1.14	1.15½
1.23	1.18¾	Dec.	1.20¾	1.18¾	1.20¼
1.27¼	1.22½	Mar.	1.23¾	1.22½	1.24
1.27¾	1.23	May	1.24¾	1.23	1.24¾
		Soybean—			
		Sept.	2.18	2.14¾	2.17¼
		Nov.	2.17¼	2.15	2.16¼
		Jan.	2.21¾	2.19¼	2.20¼
		Mar.	2.24¾	2.22¼	2.23¼
		May	2.26¾	2.24½	2.25¾

Winnipeg Cash

	High For Week Aug. 22	Low For Week Aug. 22	High Prev. Week	Low Prev. Week
Oats—				
2 C. W.	.89¼	.86¼	.86¾	.86¼
3 C. W.	.86	.83¾	.83½	.83¼
Barley—				
1 Feed	.98¾	.98½	.98¾	.98¼
2 Feed	.97¾	.97½	.97¾	.97¼
1 Malt	1.07	1.06¾	1.06¾	1.06¾
Rye—				
1 C. W.	1.04¾	1.02¼	1.03¼	1.01¾
2 C. W.	1.04¾	1.02¼	1.03¼	1.01¾

Chicago Cash

	High For Week Aug. 22	Low For Week Aug. 22	High Prev. Week	Low Prev. Week
Corn—				
2 Yell.	1.20¾	1.16¼	1.20	1.20
Oats—				
1 H. W.	.69¼	.69¾	...	...

Government Bonds

August 23, 1960 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Asked
Govt. of Canada Bonds:			
3	Perpetual	68	70
2¾	June 1967/68	89¾	90½
3¾	Jan. 1975/78	103½	104¼
3¾	Mar. 1996/98	81	82
3	Dec. 1960	99¾	100⅛
3	May 1961	99¾	100¼
3½	May 1970	91½	92½
3¼	Oct. 1979	80¼	90¼
3	Dec. 1961	99¼	99¾
3¾	Sept. 1965	96¼	97½
4¼	Sept. 1972	93¼	94¼
4½	Sept. 1983	92½	93½
4	Jan. 1963	100¼	100½
5½	Oct. 1960	100½	100¼
5½	Oct. 1962	104¼	104½
3¼	June 1974/76	82	83
5½	Apr. 1963	104¾	104¾
5½	Apr. 1969	102¾	103½
5½	Oct. 1975	103¼	104¼
Cdn. Nat. Railways:			
3	Jan. 1961/66	93	94
2¾	Feb. 1961/63	97½	97¾
2¾	Jan. 1964/67	91	93
3¾	Feb. 1972/74	86¼	87¼
4	Feb. 1981	86¼	87¼
5½	Dec. 1964	103½	104¼
5¾	Jan. 1985	106½	107¾

%	Due	Bid	Asked
Int. Bank of Reconstruct. & Development			
3¾	Apr. 1965	92	93½
3½	June 1969	88	89½
C'wealth of Australia:			
4	Nov. 1970	86½	88½
Prov. Govt. Bonds			
Alberta Tel. Gtd.:			
4¾	July 1976/78	87¼	89¼
British Columbia:			
3	June 1964	92¼	94
Pac. Gt. East. Rly. Gtd.:			
4¾	Dec. 1987	85¾	87¾
Ontario Hydro:			
4¼	Nov. 1964/67	95¾	96¾
5	Apr. 1974/77	96¼	97¼
5½	July 1978/80	101	102
5¼	July 1970	100	101
Quebec:			
5½	Aug. 1971/81	101	102

%	Due	Bid	Asked
New Brunswick:			
4½	Oct. 1968/71	92	93½
5	Oct. 1974/77	94	95¾
Ontario:			
4½	Dec. 1962/63	98¾	100
3	Nov. 1963/65	92¾	93¾
5	Jan. 1977/79	96	97½
5½	May 1970	101¼	102¼
5½	May 1978/80	101	102
Man. Hydro:			
5	July 1975/77	94	95
Manitoba:			
5½	June 1976/79	100	101
Nova Scotia:			
4¾	Dec. 1975/77	92	93½
5½	July 1978/80	100	101
Quebec Hydro Commission:			
5½	June 1979/82	100¾	101¾
Saskatchewan:			
4½	Nov. 1974/76	88	89½
5½	July 1978/80	100	101
Newfoundland:			
4¾	July 1962/64	95¼	97¼
5½	Feb. 1977/79	91	93

Canadian Auto Production

	Week Ending Aug. 20	Same Week 1959	Year To Date 1960	Year To Date 1959	% Change To Date
CARS					
General Motors:					
Buick	...	...	6,099	6,007	
†Chevrolet	...	...	58,518	57,045	
Oldsmobile	...	...	7,052	10,765	
Pontiac	...	...	54,301	45,838	
	...	...	125,970	119,655	+5
***Ford:**					
†Ford	...	1,210	40,489	38,351	
Mercury	...	100	3,139	4,640	
†Meteor	...	810	20,485	24,534	
Monarch	...	70	3,270	3,699	
	...	2,190	67,383	72,834	—7
Chrysler:					
Chrysler	34	...	3,386	4,431	
DeSoto	...	...	1,904	820	
Dodge	205	...	14,174	14,825	
†Plymouth	343	...	12,813	11,650	
	582	...	32,277	31,726	+2
Studebaker-Packard:					
Studebaker	...	...	3,666	5,664	—34
Total cars	582	2,190	229,296	229,779	....
TRUCKS					
General Motors	...	...	25,457	24,049	
Ford	...	450	13,948	12,534	
Chrysler	16	...	3,747	4,678	
International	197	229	7,783	9,398	
Total trucks	213	679	50,935	50,659	....
Total cars, trucks	795	2,869	280,231	284,438	....

*Includes Edsel production, 1959 model year.

†Chevrolet includes Corvair, Ford includes Falcon, Meteor includes Frontenac, Plymouth includes Valiant.

Source: Canadian Automobile Chamber of Commerce.

ANNOUNCEMENT

R. M. CROCKETT — R. B. SPEARS

R. M. Crockett has been appointed general manager of Imperial Oil's transportation and supply department, succeeding F. C. Lantz who has retired after 38 years of company service. R. B. Spears has been appointed assistant general manager of the department. Mr. Crockett was formerly manager of the company's co-ordination and economics department, and Mr. Spears manager of the supply division of the transportation and supply department.

K. A. POWELL (CANADA) LTD.

GRAIN SHIPPERS AND EXPORTERS
GRAIN FUTURES

Owners and Operators
Fort William Terminal Elevator Co. Ltd. and Powell Transports Ltd.

Head Office—563 Grain Exchange, Winnipeg, Man.
Affiliated Companies—Fort William, Ont., Montreal, Que., Vancouver, B.C.

N. M. PATERSON & SONS LIMITED

FORT WILLIAM — WINNIPEG — MONTREAL

GRAIN DIVISION
Grain and Coal Merchants
Country and Terminal Elevators

STEAMSHIP DIVISION
Carriers of All Bulk Cargoes

THE WEEK'S QUOTATIONS

Quotations here listed are the official exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 31

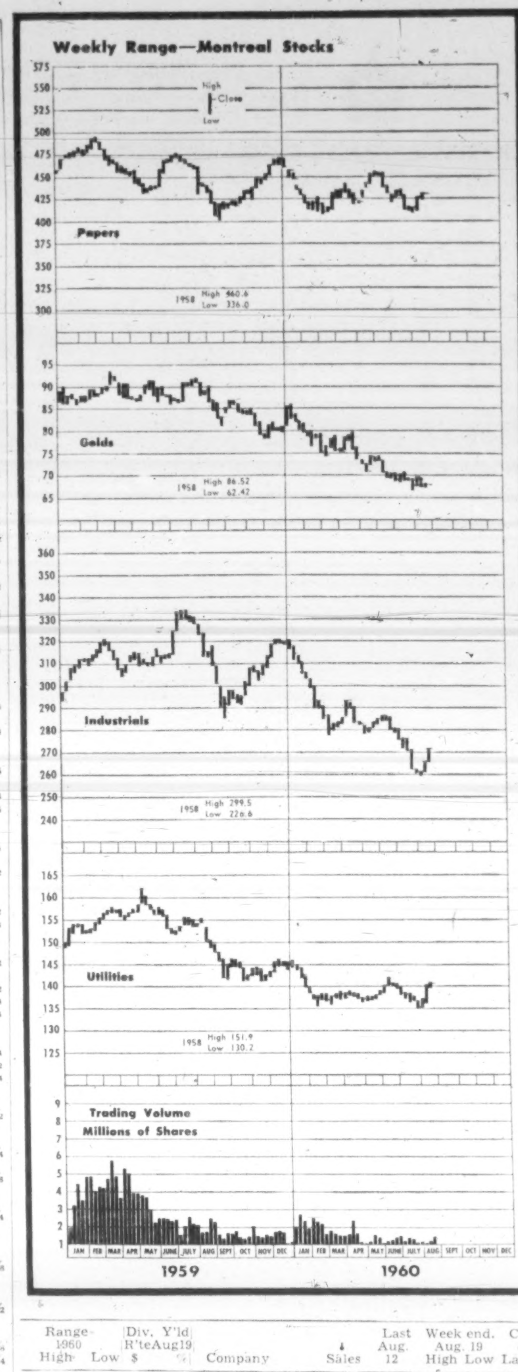
Industrial Stocks

WEEK ENDING AUGUST 19, 1960

Range 1960 High	Low	Div. R'te $	Y'ld Aug19 %	Company	Sales	Last Aug. 12	Week end. Aug. 19 High	Low	Close or Latest
41¾	35	1.70	4.4	Abitibi	11078	39⅞	39⅞	38¼	38½
25	21¾	1.12½	4.7	4½% pref.	282	24¼	24	24	24
11	9½	.60	5.5	Acadia Atlan.	200	10½	11	11	11
88	85	5.00	5.6	Do. 5% pref.	nil	..	..	..	†88½
19⅞	17¾	1.20	6.1	Do. (A)	400	19½	19⅞	19¾	19¾
				Admiral	nil	..	B14⅝	A14¾	17¾
21	17½	.70	3.4	Agnew Surp.	335	19½	21	19¾	20¾
				Alaska Y. Pipe.	nil	..	B2.00	..	2.50
75	70			Alaska Refin.	nil	..	B.75	..	.75
6½	6			Do. pref.	25	6½	†4½	†4½	†4½
2.90	1.95			Albt. Dist.	8725	2.00	2.10	1.95	2.00
2.50	1.50			Do. V.T.	17600	1.55	1.60	1.50	1.55
1.20	.70			Do S. Pur. W.	1200	.75	.75	.71	.75
28½	16½			Albt. Gas. Tr.	49560	23¾	23¾	21½	22¾
[illegible]									

Range 1960 High	Low	Div. R'te $	Y'ld Aug19 %	Company	Sales	Last Aug. 12	Week end. Aug. 19 High	Low	Close or Latest
1.20	1.00			Canarama	nil	..	B1.00	..	1.20
..	..			Do. pref.	nil	..	B2.25	..	2.50
..	..			Do. warr.	nil	..	..	..	.50
1.40	1.35			Cantexas A	nil	..	B1.25	A1.40	1.35
10½	9	▲.52		Capital Estates	250	9¼	9⅝	9⅝	9⅝
1.00	.85			Carling Br. Alta.	nil	..	..	A.90	.90
1.00	1.00			Do. V.T.	nil	..	..	..	1.00
12¾	12	.60+*.30		J. B. Carter A	nil	..	B12½	A13	12½
55	47¼	*2.00		Do. B	nil	..	B45	..	47¼
40	38	.50+*.75		Catelli Food A	nil	..	B39½	A40	39¾
63⅛	60½	2.00	3.3	Chart. Trust	50	†59½	61	61	61
24	22⅛	1.00	4.5	Chateau-Gai	45	22⅞	23	22¼	22⅞
58	41	▲1.00		Chrysler Corp.	20	41	42	42	42
3.00	3.00	*1s		Cinzano A	nil	..	B1.30	..	3.00
1.65	1.65	5½%		Do. 5½% pref.	nil	..	..	..	1.65
7	4½			Circle, Bar Knit.	nil	..	B6½	..	7
7	5½			Do. A	nil	..	B6¾	..	7
20	19	‡■		Cochrane-Dun.	nil	..	B20	A20	19
†16	†15	.80	5.0	Do. A	nil	..	B15	A16	†16
25¼	12¾			Cockshutt Farms	2050	15⅜	15½	14⅜	14¾
5¼	3			B. J. Coghlin	nil	..	B3.25	A3.75	3.10
4.50	2.25			Cold Lake Pipe	13750	3.70	3.90	3.50	3.70
†14¼	†13½	*1.00		Coll. Terminal	nil	..	B14¼	A14¼	†14¼
15	13½	*1.00		Do. pref.	nil	..	B13	A17½	15
4.90	3.75			Columbia Cell.	3665	4.00	4.15	4.00	4.15
11	7⅜	.60	7.5	Comb. Enter.	1070	8¼	8½	7⅞	8
13⅞	12½	.80+*.20		Conduits Nat.	350	12¾	12⅞	12⅞	12⅞
[illegible]									

Range 1960 High	Low	Div. R'te $	Y'ld Aug19 %	Company	Sales	Last Aug. 12	Week end. Aug. 19 High	Low	Close or Latest
88	73	2.40	2.9	Imperial Life	90	82	84½	82½	83
37	30	1.20	3.5	Imperial Oil	17771	33½	34¾	32½	34⅝
12⅞	11⅛	.50+*17½		Imperial Tob.	5815	12	12⅛	11¾	12
6⅜	5¼	6%	3.7	Do. 6% pref.	600	6	6⅛	6⅛	6⅛
41	31	*1.30		Indust. Accept.	6011	40½	41	40¼	40½
93	78⅝	2.25	2.4	Do. 4½% pfd.	10	93	93	93	93
47	39⅞	4.50	9.6	Do. 4½% p. $2.50p	150	46½	47	47	47
54	48	2.75	5.1	Do. 5½% pref.	80	53⅞	53½	52½	53½
15⅞	8½			Do. warr.	1815	15½	15⅞	15¼	15½
6	5½	.50	9.1	Ingersoll Mach. A	nil	..	B5¼	A6	5½
6.25	4.00			Inglis, John	475	4.15	4.50	4.00	4.50
10	10			Ingram & Bell	nil	..	B8	..	10
12½	12	.60	4.8	Do. pref.	nil	..	B11	..	12½
21¼	16	$.60		Inland Cem. pf.	986	18	17½	17	17
2.30	1.25			Inland Cem.	nil	..	..	A1.15	1.25
6.37½	3.60			Inland Nat. Gas	1100	4.80	4.75	4.55	4.60
15¼	13¼	1.00	6.6	Do. pref.	740	14½	†15½	14¾	15¼
1.75	.90			Do. warr.	200	1.40	1.40	1.30	1.30
4.00	2.80	*.06		Interior Brew. B	nil	..	B3.50	..	3.90
16	11½	.70	5.8	Inter. Bronze	750	11½	12⅞	11½	12
23	20	1.50	6.8	Do. pref.	220	22½	22	21¾	22
56¼	50	††1.50		Inter. Nickel	12273	53⅞	54	53⅛	53¾
†10⅛	†9			Inter. Paints A	nil	..	..	A15	†9
†20	†16	1.20	7.5	Do. pref.	nil	..	B15	..	†16
130	93¼	▲3.00+‡■		Int. Paper	349	95	96¼	95½	95½
†83¼	†83¼	▲4.00		Do. pref.	nil	..	..	..	†83¼
36⅝	31	▲1.40+‡▲.15		Int. Util.	2,400	33¾	34½	33¾	34⅜
[illegible]									



Where there have been no transactions during the week covered, the word "nil" is shown under sales and the quotations shown are the bid, ask, and last sale price, instead of high, low, and close

Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. & Pap.	.42½	Oct. 1	Sep. 1
Do 4½% pf	.28⅛	Oct. 1	Sep. 1
Acadia At. Sugar	.15	Oct. [illegible]	Sep. 10
Do 5% pf	1.25	Sep. 15	Aug. 20
Do A	.30	Oct. 3	Sep. 10
Agnew-Surpass	.17	Sep. 1	Jul. 29
Alg. Cent. & Hudson Bay Rlwy	.25	Sep. 1	Aug. 15
Do 6% pf	.75	Sep. 1	Aug. 15
Algoma Steel Corp.	.30	Sep. 30	Aug. 26
Aluminium	†.15	Sep. 5	Aug. 5
Aluminum 4% pf	.25	Sep. 1	Aug. 5
Do 4½% pf	.56	Aug. 31	Aug. 5
Anglo Cdn. Pulp & Pap.	.50	Oct. 7	Sep. 15
Do pf	.70	Oct. 20	Sep. 30
Anglo-Cdn. Tel. A	.30	Sep. 1	Aug. 10
Argus Corp.	.25	Sep. 1	Jul. 20
Asbestos Corp.	.30	Sep. 30	Sep. 9
J. H. Ashdown Hdwre. A	.15	Oct. 1	Sep. 10
Do B	.18	Oct. 1	Sep. 10
Assoc. Tel. & Tel.	†4.50	Sep. 15	Aug. 15
Do A	†1.00	Oct. 1	Sep. 1
Atlantic Accept. 5½% 1st pf	.55	Sep. 9	Aug. 31
Aunor Gold	.04	Sep. 1	Aug. 10
Auto Elec. Serv.	.11¼	Sep. 15	Aug. 19
Bailey Selb. 5% pf	.31¼	Sep. 1	Aug. 15
Do 5¾% pf	.36	Sep. 1	Aug. 15
Bank of Montreal	.45	Sep. 1	Jul. 30
Banque Can. Nat.	.40	Sep. 1	Jul. 29
Banque D'Econ. Que.	.25	Sep. 1	Aug. 15
Barber Ellis	1.00	Sep. 15	Aug. 31
Bathurst Pwr. & Pap A	.50	Sep. 1	Aug. 4
Beaver Lumber	.25	Oct. 1	Sep. 10
Do A	.25	Oct. 1	Sep. 10
Do pf	.35	Oct. 1	Sep. 10
Biltmore Hats A	.25	Oct. 15	Sep. 16
Do com	.10	Oct. 15	Sep. 16
Bird Construct.	.60	Sep. 30	Sep. 15
Do	.60	Dec. 31	Dec. 15
Bowater Corp. 5% pf	.62½	Oct. 1	Sep. 9
Do 5½% pf	.68¾	Oct. 1	Sep. 9
Bowaters Mersey Pap. pf	.68¾	Oct. 1	Aug. 26
Boyles Bros. A	.15	Sep. 15	Aug. 18
[illegible]			

(Continued on page 33)

(Continued on page 33)

Mining Stocks

WEEK ENDED AUGUST 19, 1960

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 31

Oil Stocks

Range 1960 High	Low	Company & Dividend ($)	Sales	Last Aug. 12	Week Ending Aug. 19 High	Low	Close or Latest
.06½	.03	Bata	7000	.04	.04		
.34	.20	Blue Crown	700	.22	.22		
.25	.11	Bluewater	nil	...	B.13	A	
.34	.15	Bonnyville	7866	.20	.20		
.75	.35	Bralsaman	500	.35	.36		
2.65	1.90	Britalta	7550	2.15	2.35		

C

Range 1960 High	Low	Company & Dividend ($)	Sales	Last Aug. 12	Week Ending Aug. 19 High	Low	Close or Latest
.57	.31	Calalta	11400	.39	.39		
21.75	13.50	Calg. & Ed. .10	9090	15.75	16.25		
3.55	3.15	Calvan	1100	3.15	3.15		
.63	.40	Calvert	14100	.51	.55		
		Canada					
1.35	.95	Can. Oil L.	2500	1.00	1.00		
.39	.10	Do warr.	1400	.11	.11		
		Can. So. Oil					
.75	.08	warr.	nil		B.15	A.21	.20
5.25	2.50	Can. So. Pet	2401	3.00	3.25	2.75	2.75
		Canadian					
1.34	.70	Cdn. Chieft'n	7400	.91	.93	.87	.90
4.10	2.20	Cdn. Dev.	49025	3.40	3.40	2.95	3.00
2.60	1.43	Cdn. Exp. G.	26445	1.78	1.82	1.65	1.72
.03½	.01⅝	Cdn. F'tune	6000	.02	.02	.02	.02
.40	.16	Cdn. H. Cr.	5375	.24	.27	.24	.27
1.05	.60	Cdn. H'stead	2300	.74	.75	.74	.75
8.55	3.95	Cdn. Husky	14143	5.45	5.70	5.15	5.70
4.65	1.28	Do warr.	3380	2.15	2.15	2.00	2.05
12.62½	8.00	Cdn. Sup.	3300	9.75	9.75	9.40	9.70
1.25	.55	Cdn. Wil'ston	nil	...	B.40	A.60	.55
....	....	Carleton	nil	...	....	A.30	.43
.17	.10½	Castle O.	500	.12	.12	.12	.12
		Cent. Del Rio					
6.20	4.00	▲▲* 10	33103	5.05	5.20	4.65	5.20
1.30	.70	Charter	3100	1.00	.99	.94	.99
.16	.11½	Claybar	4000	.13	.15	.14	.14
.60	.50	Command	nil	...	B.55	....	.60
.19½	.08	Commercial	1500	.08	.09	.08	.08
1.50	1.00	Commoil	nil	...	B1.20	....	1.25

W, Y

Range 1960 High	Low	Company & Dividend ($)	Sales	Last Aug. 12	Week Ending Aug. 19 High	Low	Close or Latest
.72	.30	Van Tor	17600	.40	.39	.36	.37
.13	.06	Wayne	3700	.07½	.08	.07	.08
.21	.12	Wespac	4361	.12½	.14	.13	.13½
2.15	1.00	Westates	1742	1.60	1.40	1.25	1.25
.78	.49	W'burns	7450	.60	.58	.51	.51
1.88	.99	W. Cdn. O&G	7371	1.15	1.10	1.01	1.05
.70	.28	Do warr.	2500	.34	.30	.28	.28
1.55	.72	W. Decalta	7580	.89	.88	.85	.88
3.50	3.15	W. L'holds	400	3.30	3.15	3.15	3.15
.55	.22	W. Naco	1500	.28	.27	.27	.27
.09⅛	.04	W. Warner	500	.06	.05	.05	.05
.06	.02	Y'ke Can	13000	.03	.03	.03	.03

▲U. S. funds. ▲▲Initial. †Less than board lot. ♦When shown nil the figures are bid, asked and latest sale. *Paid or declared in 1960. §Paid in 1959. ‡Extra paid in 1959, shown for record purposes only, does not necessarily apply to 1960 dividend rate or payments. •After partial assets distribution. ¦Dividend action deferred. ■Stock dividend. ††Dividend deferred.

New Highs & Lows

In the week ended Aug. 20, 35 new highs and 22 new lows were recorded by general stocks listed on Canadian stock exchanges. In the mining group there were 18 new highs and 14 new lows. Western oils had one new high, six new lows.

GENERAL

NEW HIGHS — 1960

Acadia Atlan. 'A'
Albt. Gas Tr. 'A' warr.
Ang. Can. Tel. $2.90 pref.
Bk. Montreal
Bk. N. Scotia rts.
Bell Telephone
Bowater 5½% pfd.
B.C. Elec. 4¾ pfd.
Do. 5% pfd.
B.C. Tele.
Calgary Pwr.
Do. 5% pfd.
Cdn. Food Prod. 4½% pfd.
Cdn. Celanese $1.00 pfd.
Cdn. Wallpaper 'B'
Dom. Stores
Fanny Farm
Gatineau Pwr. 5½% pf.
Gen. St. Wares pfd.
Indust. Accept.
Do. warr.
Inland Nat. Gas
Do. pref.
Labatt, John
Loblaw Co. 'B'
Do. pfd.
Loblaw Groc. 1st pfd. 'A'
M. Loeb Ltd.
North Star Oil pfd.
Northwest U. pfd.
Quebec Power
St. Law. Corp. 5% pf. 'A'
Trans-Prairie
West. Can. Brew.
Weston, G. 4½% pf.

NEW LOWS — 1960

Albt. Dist.
Cdn. Int. Pwr.
Cdn. Westinghouse
Cons. Bakeries
Consumers Gas warr.
Enam. & Heat. 'B'
Finlayson 'B'
Gen. Bakeries
Gt. Lakes Pwr. warr.
Gt. North Gas warr.
Do. 'B' warr.
Gurney Prod. Com.
Jockey Club
5½% pfd.
Massey-Ferg.
Do. 4½% pref.
Nat. Hosiery 'B'
Que. Nat. Gas
P. L. Robertson 2nd pfd.
Spartan Air
Stan. Wire & C.
Traders Fin. warr. 1956
Twin City

MINING

NEW HIGHS — 1960

Bidcop
Bralorne-Pioneer
Can. Tungsten
Chipman
Coniaurum
Dickstone Copper
East Sullivan
Genex
Int. Ceramic
Lithium
Lorado
Louvicourt
Northern Can.
Ryanor
San Antonio
Stanleigh
Un. Keno Hill
Vespar

NEW LOWS — 1960

Assoc. A'cadia
Beaver L'ge.
Cdn. N'west.
Cayzor
Cowichan
Fatima
Gaspe Copper
Hollinger
Kilembe Cop. 'C' warr.
Malartic
N.W. Amulet

O'Leary
Torwest
ViolaMac

OILS

NEW HIGHS — 1960

Sage

NEW LOWS — 1960

French Pt. pf.
Ranchmens
Siscalta
Turner V.
W. Cdn. O. & G. warr.
W. L'holds.

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
*Eastern Utilities Ltd. Coll. Trust S.F. Deb. Ser. A	4½%	'70	Sep. 30	$101.00
*Faraday Uran. Mines Ltd. S. F. Debs.	5½%	'62	Sep. 15	$101.00
§Ventures Ltd., S.F. Debs.	4½%	'69	Oct. 1	■$100.00

*—All outstanding.
§—$500,000.
■—Plus interest.

Industrial Stocks

(Continued from page 32)

Range 1960 High	Low	Div. Rate $	Y'ld Aug19 %	Company	Sales	Last Aug. 12	Week end. Aug. 19 High	Low	Close or Latest
2.45	1.60	..	..	Vir. Dare 5% pf.	nil	...	B14¼	A15¾	14¼
38⅜	33¼	1.40+*.35		Wainwright	200	1.70	1.75	1.75	1.75
6.00	3.45			Walker-Good	9319	36	36½	35¼	35⅜
15	14	1.25	8.8	Watermans Pen	765	4.60	4.50	4.25	4.50
6.00	4.00	§.10	..	Waterous Eqpt.	2405	4.00	4.75	4.25	4.75
3.50	2.50	..	..	Webb & Knapp	4040	3.00	3.00	2.90	2.90

Short Position Rises on TSE

Short position on the Toronto Stock Exchange rose to 1,344,578 shares of 206 issues on Aug. 15, compared with 1,105,274 shares of 182 issues on July 29.

Among the changes were:

Stock	Shares	Stock	Shares
Aluminium	+375	Lorado	−6,500
At C Cop	+21,100	Murray	+38,400
Bankeno	+7,000	N Mylam	−16,000
Bidcop	+32,500	Orchan	+11,900
B A Oil	+500	Provo	+11,500
C Chieftain	+9,500	Stanleigh	−4,000
Can-Erin	−8,000	Sunburst	+7,000
C M'benor	+34,500	United Oils	+8,200
Cons Gas	+453	Yukon Con	+37,800
Gunnar wts	−6,580		

Here are the short positions in detail:

Stock	Shares	Stock	Shares
Abitibi	450	Frobisher	1,000x
Advocate	1,000	Imperial Oil	1,000
Alberta Dist	2,000	Imperial Tob	100
Alberta Gas	500	Ind Accept	600
Do A Wts	1,200	Do Wts	75
Algoma Steel	1,285	In N Gas Wts	500
Alminex	1,300	Int Nickel	650
Aluminium	2,550	Interprov PL	225
Area	500	Inv Synd A	350
A Arcadia	10,000	Irish Copper	4,300
Atl C Copp	21,500	Iron Bay	9,700
Atlas Steel	250	Iso	1,109
Aumaque	1,000	Jockey Club	150
Aunor	1,000	Jacobus	11,700
Bailey Sel A	100	Jupiter	7,200
Banff	2,300	Kelly Doug A	100
Bk Mont	100	Kerr Addison	1,600
Bankeno	8,000	Kilembe	8,900
Bathurst B	100	Do C Wts	25,000
Barnat	500	Lake Shore	1,200
Belcher	1,200	Lamaque	300
Bidcop	32,500	Langis	2,000
Bowater P	120	Latin Am	29,000
Bralorne	100	Loblaw Co A	100
B A Oil	250	Lorado	13,200
B C El 5½	204	MacMill B Powell	400
B C Forest	1,000	Madsen	500
Britalta	2,000	Maritimes	1,000
Brown	400	Martin	8,000
Brunswick	305	Massey Ferg	300
Buffalo Ank	1,200	Medallion	1,700
Building Prod	100	Merrill Is	500
Calgary & Ed	400	Moore	200
Camp Chib	5,150	Murray	131,800
Campbell R L	100	N Bidiamaque	1,000
Can Cement	400	N Dickenson	2,500
Can Iron	200	N Hosco	10,500
Can S Oil Wts	875	N M'maque	193,900
Can Sth Pete	4,500	Noranda	500
Can Tungsten	200	Normetal	400
Cdn Breweries	125	N C Oil Wts	300
Cdn B Al A Wts	400	N C'dstream	14,700
Cdn Chemical	1,000	N Rankin	5,300
Cdn Chieft.	10,500	N Tele Wts	125
Cdn Collieries	100	Nthspan Wts	1,000
Cdn Devonian	900	Opemiska	3,300
Cdn Dyno	2,000	Orchan	132,800
C Export G	11,100	Pac Pete	100
C Husky Wts	4,140	Do Wts	300
C Hydrocarb	100	Patino Wts	4,700
Cdn N Inca	2,000	Peerless	1,000
Cdn Pacific	159	Peruvian	1,800
Cdn Petro Pr	500	Ponder	19,500
Can-Erin	153,800	Portage Is	500
Cent Del R	1,000	Prairie	100
Chesterville	3,000	Provo	26,100
Chromium	1,000	Que Metal	1,000
Cockshutt	425	Que Nat Gas	600
Coniaurum	500	Radiore	1,500
C Discovery	200	Ranger	400
Cons Dragon	5,500	Realm	1,000
C Marbenor	46,000	Rexspar	500
Cons Marcus	500	Rio Algom	1,883
Cons M & S	150	Salada	600
Cons Mogul	1,900	San Antonio	10,500
Cons Mosher	9,800	Satellite	53,300
Consumers Gas	568	Sherritt	2,700
Copper Rand	1,800	Silverwood A	100
Craigmont	850	Simpsons	125
Creat. Tele	5,400	S K D	1,300
Deer Horn	1,000	Stand Wire	100
Denison	205	Stanleigh	1,000
Dom Bridge	100	Steel Can	320
Dom Fdries	400	Steep Rock	2,100
Dom Stores	425	Steinberg A	450
Donalda	2,000	Submarine	1,000
Duvan	5,000	Sunburst	14,500
Dynamic	4,000	Superior Prop	100
E Malartic	3,000	Switson	110
E Sullivan	400	Temagami	29,000
Eddy Paper A	40	Thomp Lund	6,500
Elder	7,800	Tidal	500
Famous Play	600	Traders Fin A	225
Faraday	1,000	Tr Can PL	3,000
Fargo	300	Tr Mtn PL	350
Fatima	18,500	Un Asbestos	13,150
Gatineau 5 Pr	45x	Un Canso vt	1,900
Geco	1,200	Un Keno	800
Gen Devel	3,550	Un Oils	9,300
Giant Y'K	720	Upper Can	400
Granduc	1,600	Ventures	400
G L Paper	25	ViolaMac	2,500
G N Gas A Wts	450	Walkers	225
Gtr Wpg Gas vt	300	Web & Knapp	450
Do 56 Wts	60	Wespar	2,000
Do 58 Wts	260	W Cdn Oil	2,000
Gunnar	500	West Decalta	1,000
Do wts	6,980	Weston A	100
Head of Lakes	2,190	Willroy	4,100
Hollinger	800	Do Wts	3,200
Home Oil A	400	Wiltsey	2,000
Do B	800	Young H G	5,500
Hoyle	700	Yuk Cons	38,300

Unlisted Industrials

(Compiled by McDonnell, Adams & Co. Ltd., Toronto.)

August 19, 1960

CORPORATIONS	Bid	Asked
Alexander Bldg	16.00	...
Anglo Cdn. Tel. A	38.00	39.25
Border Chemical	5.00	5.50
Brinton Pete Carpet	40.00	50.00
B C Tel 4⅜% pfd.	82.00	....
Do 4½% pfd	83.00	....
Do 4¾% pfd.	88.00	....
B Do. 5¼% pfd.	102.50	....
Do 6% pfd.	103.50	....
Do 6¼% pfd.	106.00	107.00
British Newfoundland	2.00	2.37
Calgary Power 4% pfd.	72.00	....
Cdn. Admiral Corp.	....	16.00
Cdn Canners B	11.00	....
Cdn. Chemical Warr's	2.35	2.45
Cdn Corp Management	8.25	9.00
Cdn Foreign Sec's	8.25	....
Capital Wire Cloth	20.00	....
Cawthra Apts.	60.00	....
Commercial Finance	63.00	....
Concourse Bldg.	140.00	160.00
Copp Clark 6% pfd.	80.00	82.00
Debentures & Sec's pfd.	80.00	....
Dollar Land Corp. units ($100 7% deb. & 6 common)	162.00	166.00
Dom. Linseed Oil Units	3.25	....
Essex Packers pfd.	32.00	....
Do common	2.35	....
Goderich Elevator	17.75	18.75
Granite Club	14.00	15.00
Gt Britain Can Inv pfd.	85.00	88.00
Do com.	16.00	18.00
Hart Battery (1957) Units	3.25	....
Hess, George $6.00 pfd.	....	17.00
Hudson's Bay Co.	22.50	23.25
Humberstone Shoe	7.00	8.00
Ingersoll Machine 4% pfd.	80.00	....
Do B	3.00	....
Jenkins Bros.	59.00	62.00
Lake Ont. Port. Cem. com.	1.25	1.75
Do pfd.	4.50	5.50
Do Wts.	.25	.75
Lord Simcoe Hotel A	.40	.65
McCarthy Milling A	4.25	....
Meadowvale Development	2.90	3.20
Mindustrial Corp.	1.60	1.80
Mutual Finance Corp. pfd.	.75	....
Nova Scotia L. & P. 4% pfd.	71.00	....
Do 4½% pfd	80.00	....
Pacific Western Airlines	1.75	2.00
Park Lawn Cemetery	2.25	....
Pembroke Electric Light	105.00	....
Philips' Lamp	166.00	168.00
Phillips Electric	5.25	6.00
Prairie Royalty Trust	1.75	....
Rapid Grip 6% pfd.	98.50	99.50
Robin, Jones & Whitman pfd.	14.00	17.00
S K D Mfg 6% pfd	9.25	10.00
Scott Misener S.S.	12.75	13.75
Standard Fuel 4½% pfd.	34.00	....
Steelman Gas	1.45	1.75
Teleflex Ltd.	10.50	11.50
Thompson Paper pfd.	44.00	48.00
Toronto Brick	....	18.00
Tor. & London Inv's	1.74	2.25
Trans-Canada Freezers Warr's	1.00	....
Tor. Medical Arts Bldg.	58.00	61.00
Triarch Corp	112.00	115.00
Universal Cooler 6% pfd.	53.00	57.00
Do. B pfd.	2.00	2.75
Do. com.	1.30	....
Waterloo Mfg.	1.30	....
Westcoast Transmission	14.75	15.25
INSURANCE COMPANIES		
British America Assce.	103.00	106.00
Cdn General Insce	500.00	....
Commercial Life 20% paid	32.50	....
Crown Life Insce.	193.00	200.00
Dom. Can. Gen. Ins.	42.00	46.00
Dom. Life Assce	185.00	....
Excelsior Life	225.00	....
Great-West Life	328.00	335.00
Guar. Co. of N.A., fully pd.	90.00	110.00
Do 50% pd.	65.00	....
London Life Insurance	174.00	178.00
Manufacturers Life*	253.00	....
Do †	250.00	....
Do §	245.00	....
Do •	240.00	....
Maritime Life	130.00	150.00
Monarch Life	49.00	52.00
National Life Assce.	60.00	62.00
Sovereign Life 25% pd.	175.00	185.00
Western Assurance	79.00	82.00
Western Life 25% paid	104.00	...
TRUST & LOAN COMPANIES		
British Mtge. & Trust	253.00	....
Eastern Trust	26.25	27.50
Halton & Peel Trust	12.25	13.00
Industrial Mtge. & Trust	109.00	....
Prudential Trust	22.00	26.00
Waterloo Trust	46.50	47.25

*Original pledged.
†Second pledged.
§Third pledged.
•Unpledged

By Kippen & Company Inc., Montreal	Bid	Asked
Cons. Theatres A	6.00	8.00
Do B	3.00	....
Dupuis Freres pfd.	15.00	17.00
Guar. Co. of N.A.	100.00	120.00
Gt. Britain & Canada	15.50	17.50
Hart Battery Units	2.50	....
Hudson's Bay Co. (new)	22.50	23.25
Maritime Tel. & Tel.	17.00	18.00
Mtl. City & Dist. Svgs. Bk.	56.00	57.00
New Brunswick Tel.	12.00	13.00
Ont. & Que. R. 5% Cap. Stk.	96.00	98.00
Prudential Trust Co.	20.00	....
Strategic Materials	11.00	12.00
Westcoast Transmission	13.00	13.50

Dividends Declared

(Continued from page 32)

	This payment $	Date payable	*Date of record
Laura Secord	▲▲.17½	Sep. 1	Aug 15
Laurentide Accept. A	15	Oct. 31	Oct. 14
Leitch G. M.	.03	Sep. 15	Aug. 31
Loblaw Cos. A	.10	Sep 1	Aug 4
Do B	.10	Sep 1	Aug. 4
Do $2.40 pf.	.60	Sep 1	Aug 4
Lob G com	.54	Sep 1	Aug. 4
Do 1st pf ser. A	.37½	Sep 1	Aug 4
Do 1st pf ser. B	.40	Oct. 15	Sep. 14
Do 2nd pf	.54	Sep 1	Aug. 4
Loblaw Inc	†.07½	Sep 1	Aug. 19
Lounsbury A	.12½	Sep. 1	Aug. 10
Macassa M.	.03	Sep 15	Aug 15
MacKinnon Struct. Steel pf	1.25	Sep. 15	Aug. 31
MacMillan Bloedel & Pow Riv	.15	Sep. 15	Aug. 15
Maher Shoes	.30	Sept. 10	Aug 10
Massey-Ferguson	.10	Sep. 15	Aug. 12
Do 5½% pf	1.37½	Sep 15	Aug. 12
Do 4½% pf	1.12½	Sep. 1	Aug. 12
McIntyre Porc. M.	.25	Sep 1	Aug 2
Mexican Lt. & Pwr. pf	▲.25	Oct. 1	Sep. 15
Robt. Mitchell A	.25	Sep 15	Aug. 15
Molybdenum Corp.	1% stk.	Sep. 30	Sep. 6
Mtl. City & Dist. Sav. Bk.	.55	Oct. 3	Aug. 31
Mont. Trust	.35	Oct. 14	Sep. 30
Moore Corp 7% pf A & B	†1.75	Oct 1	Aug 26
Do com	†.20	Oct 1	Aug 26
H. Morgan & Co.	.25	Sep. 1	Aug. 5
Do pf	1.19	Sep. 1	Aug 5
Nat Drug & Chem.	.20	Sep. 1	Aug 5
Do pf	.15	Sep. 1	Aug. 5
Nat Hose A	.05	Sep 30	Sep 2
Nat. Lead	†.75	Sep 26	Aug. 29
Do 7% pf	†1.75	Sep. 15	Aug. 19
Do 6% pf	†1.50	Nov. 1	Oct. 7
Nat. Life 100% pf	.20	Nov. 1	Oct. 25
Nelsons Laund. 6% pf	.15	Sep. 1	Aug. 15
Neon Prod. of Can.	.15	Oct 21	Sep. 30
Nfld. Lt. & Pwr.	.50	Sep 1	Aug 5
Do pf	1.25	Sep. 1	Aug. 5
Noranda M.	.50	Sep 15	Aug 19
Normetal Min.	.05	Sep 30	Sep 2
North Star Oil pf	.62½	Oct. 2	Sep. 2
Nor. Que Pwr.	.40	Oct 25	Sep. 30
Do 5½% pf	.69	Sep 15	Aug 25
Do 3-6% pf	1.50	Sep 15	Aug 25
N.S. Lt. & Pwr. 4% pf	1.00	Sep. 1	Aug 3
Do 4½% pf	1.12½	Sep. 1	Aug 3
Do 5% pf	.62½	Sep. 1	Aug. 3
Ogilvie Flour Mills 7% pf	1.75	Sep 1	Aug 1
Do com.	.50+‡.25	Oct. 3	Sep. 1
Okanagan Hel. 6% pf	.15	Sep. 15	Aug 12
Okanagan Tel.	.30	Sep. 1	Aug 12
Do pf	.20	Sep. 1	Aug 12
Pac At Cdn Inv.	.03	Sep 1	Aug 15
Pac. West Airlines 6% 1st pf	.15	Sep. 1	Aug 20
Do 6% 2nd pf	.15	Sep. 1	Aug 20
Paton Mfg	.20	Sep 15	Aug 31
Do 7% pf	.35	Sep. 15	Aug 31
Pembina Pipe Line 5% pf	.62½	Sep. 1	Aug 15
Photo Engravers	.40	Sep 1	Aug 15
Premier Steel Mills pf	1.50	Sep. 1	Aug. 15
Provincial Trans.	.25	Sep 30	Sep 12
Do 5% pf	.62	Oct 1	Sep 12
Que Pwr	.40	Aug 25	Jul 15
Quemont Min.	.20	Sep 30	Sep 2
Renolds Chains A	.27+‡.05	Oct 1	Sep 15
Jas Robertson	.25	Sep. 15	Aug. 30
Robinson Little A	.25	Sep 1	Aug. 19
Rolland Pap. A	.25	Sep 1	Aug 15
Do B	.15	Sep 1	Aug 15
Do 4¼% pf	1.06¼	Sep 15	Sep 1
Royal Bk	.52½	Sep 1	Jul 30
S.K.D Mfg. Co. 6% pf	.15	Sep. 1	Aug. 15
Do 6¼% 2nd pf	.31¼	Sep. 1	Aug 15
St. Lawrence Cred pf.	.15	Oct. 15	Sep 30
Do	.15	Jan 15	Dec 31
Do	.15	Nov 1	Oct 15
Salada-Shirriff-Hor.	.06	Sep 15	Aug 25
Scythes & Co.	.25	Sep. 1	Aug. 12
Do 5% pf	.31¼	Sep. 1	Aug. 12
Shaw W & P	.20	Aug 25	Jul 14
Do 4% ser A pf	.50	Oct 2	Sep 2
Do 4½% ser B pf	.56¼	Oct 2	Sep 2
Sicks Brew.	.30	Sep. 21	Sep. 2
Silknit Ltd.	.25	Sep. 15	Aug 31
Do 5% pf	.50	Sep. 15	Aug 31
Silverwood Dair A	.15	Oct 1	Aug 31
Do B	.15	Oct 1	Aug 31
H. Simon & Sons pf	1.25	Sep 1	Aug 26
Simpsons Ltd.	.17½	Sep 15	Aug 15
Southam Co.	.20	Sep 28	Sep 14
Stand Brands	†.40	Sep 15	Aug 15
Stand Oil	†.55	Sep 12	Aug 12
Stand. Pav	.20	Oct 1	Sep 15
Stand Radio	.20	Oct. 11	Sep 21
Stand Struct. Stl	.15	Sep 28	Sep 12
Stedman Bros	.30	Oct. 1	Sep 16
Steinberg's A & c.	.10	Sep 2	Aug 9
D. A. Stuart Oil	.25+‡.50	Sep 1	Aug 15
Superior Prop. .10	‡.12½	Sep 15	Aug 31
Do pf	.35	Oct 1	Sep 15
Television-Elec.-Fd.	†.04	Aug 31	Aug 4
Texaco Can Ltd	.40	Aug 31	Jul 30
Do 4% pf	1.00	Oct 20	Sep 30
Thompson Pap. Box	.04	Sep. 1	Aug. 22
Do 6% pf	.75	Sep 1	Aug 22
Thompson's Serv. Sts.	.02½	Sep. 1	Aug 15
Tor. Elev. .10	‡.10	Sep 1	Aug 19
Tor. General Tr.	.40	Oct. 1	Sep. 2
Traders Fin. A & B	.60	Oct. 3	Sep. 9
Do 4½% pf	1.12½	Oct. 3	Sep. 9
Do 5% pf	.50	Oct. 3	Sep. 9
Trans Can. Corp. Fd	.25	Oct. 1	Sep 15
Do	.25	Jan 4	Dec 15
Trans Can. Shs. B	.504	Sep. 1	Aug 15
Trans-Prairie Pipeline	.15	Sep. 15	Sep. 1
Union Accept. .07½	‡.20	Oct. 1	Sep 15
Do 2nd pf	.15	Oct. 1	Sep 15
Un Fuel Inv 6% pf	.75	Oct 1	Sep 9
Un Grain Grow 5% A pf	1.00	Sep 1	Jul 30
Vandry Inc A	.10	Sep 30	Sep 15
Do	.10	Dec 31	Dec 15
Ventures Ltd.	.25	Aug 31	Aug 15
Viceroy Mfg A	.12½	Sep 15	Sep 1
Victoria & Grey Tr.	.35	Sep 15	Aug 26
Virg. Dare 5% pf	.31¼	Sep. 1	Aug 15
Waite Amulet	.20	Sep 10	Aug 19
Westates Pet. pf	■.12½	Oct. 1	Sep 19
Westeel Prod.	.15	Sep 15	Aug 26
West Can Brew	.30	Sep. 1	Aug. 1
Geo. Weston A	.17½	Oct. 1	Sep 9
Do B	.17½	Oct. 1	Sep 9
Do 6% pf	1.50	Sep. 1	Aug 15
Do 4½% pf	1.12½	Sep. 1	Aug 15
White Pass & Yuk. Corp.	.10	Sep. 15	Aug. 31
Willson Stat	2.00	Oct 1	Sep 15
G. H. Wood 5½% pf	1.37½	Sep. 1	Aug 15

†—U.S. funds ‡Extra
*—The ex-dividend date is usually at least two full business days prior to the record date
**First foll. public distribution of stk.
■■—Tax pd. stk. divd. of 6 red. pf. shs. (.05 par) Cash portion subject to income tax
■Initial
▲—For 3 months ended Aug. 1/60. Record date extended due to purchase offer which expired Jul. 15/50.
▲▲—First foll. 2-for-1 stock split.
♦—First foll. stk. reorganization in June/60.
§—First foll. stk. reorganization Apr. 60.

Company Meetings

Date	Company	Place
Aug. 25	Alberta Distillers Ltd.	Vancouver
Aug. 26	Anacon Lead M.	Toronto
Aug. 26	Kirkland Min. Corp.	Toronto
Aug. 26	John Labatt Ltd.	London, Ont.
Aug. 30	Lake Wasa Min. Corp.	Toronto
Aug. 31	Cdn. Fortune Oil Ltd.	Calgary
Aug. 31	Dom. & Anglo Invest. Corp.	Toronto
Aug. 31	Mailman Corp.	Montreal
Sep. 6	Goldray Mines	Toronto
Sep. 6	Stanrock Uran. M.	Toronto
Sep. 6	Trans Can. Explor.	Toronto
Sep. 7	Laurentide Accept. Corp.	Montreal
Sep. 12	Office Specialty Mfg. Co.	Newmarket, Ont.
Sep. 13	Kingston & Pembroke Rlwy.	Montreal
Sep. 13	Manitoba & North West. Rlwy.	Montreal
Sep. 13	Montreal & Atlantic Rlwy.	Montreal
Sep. 13	Ontario & Quebec Rlwy.	Montreal
Sep. 13	Toronto, Grey & Bruce Rlwy.	Montreal
Sep. 14	Agnew-Surpass Shoe Stores	Brantford, Ont.
Sep. 19	Sheraton Corp. of Am.	Boston, Mass.
Sep. 24	Quebec Copper	Montreal
Sep. 27	Texstar Corp.	San Antonio, Texas

How Costs Compare—Owning vs. Leasing

	After	(1) Principal	(2) Rental or Interest	(3) Total Cost	(4) Tax Saving	(5) Asset Book Value	(6) Net Cost (3) minus (4)
LEASE	5 years		141,000	141,000	73,320		67,680
	7 "		151,000	151,000	78,520		72,480
	10 "		166,000	166,000	86,320		79,680
BANK LOAN	5 "	100,000	15,000	115,000	42,761	32,768	72,239
	7 "	....	....	115,000	48,895	20,971	66,105
	10 "	....	....	115,000	54,217	10,738	60,783
FINANCE CO.	5 "	100,000	96,000	196,000	84,881	32,768	111,119
	7 "	....	....	196,000	91,015	20,971	104,985
	10 "	....	....	196,000	96,337	10,738	99,663
PRIVATE DEB.	5 "	100,000	35,000	145,000*	58,361	32,768	86,639
	7 "			145,000	64,485	20,971	80,515
	10 "			145,000	69,806	10,738	75,194

*Added 10% of $100,000 for financing through debenture.
LEASE: Rate 8.2%; contract 5 years; renewal for 5 years at 5%; profit tax 52%.
BANK LOAN: Interest 6% on mid-annual average; term 5 years, annual repayments 1/5; profit tax 52%; depreciation 20% on declining balance.
FINANCE CO. LOAN: Cost and interest rate 1.6% per month; term 5 years; profit tax 52%; depreciation 20% on declining balance.
PRIVEATE DEBENTURE: Interest rate 7%; term 5 years; principal refunded after 5 years; profit tax 52%; depreciation 20% on declining balance.

They Put Up Capital, You Get New Machine

Leasing of business and industrial equipment is becoming more popular. New equipment worth $25 million will be installed in Canada in 1960 through the leasing route compared with $6 million just two years ago.

Leases cover such things as office equipment, tools, all types of machinery, and even aircraft engines and portable coolers for storing dew worms.

Tight money has helped spur this growth of equipment leasing.

Leasing can offer a way of financing capital goods, may offer tax advantages, can be profitable in other ways too. But traditional methods of raising money are still the most economic for many companies.

By HENK HOPPENER

"Want to install a new machine without putting up any money?"

This type of appeal, like the retailers' "no down payment" wooing of the consumer, is attracting a growing number of firms in Canada. It is being made by companies specially organized to buy equipment for customers and then lease it to them over several years.

The customer has the use of the equipment. The leasing company retains ownership.

Outside the office equipment field and auto fleets, leasing of equipment by industry is still quite new in Canada.

But this is changing fast.

Just a year ago, there were only two companies in this field. At latest count, there are seven.

Two years ago annual rentals due on new leases totaled $1.5 million. Last year they doubled to more than $3.5 million. This year they should hit $6 million.

The growth in the U.S. has been quite spectacular. Receivable rentals were less than $100 million in 1956. Last year they were in excess of $300 million. The industry expects they'll hit the $1,000 million mark "not later than 1965."

The big attraction: Getting new machinery and equipment without depleting working capital or overstraining bank credit.

Lessors here say leasing is already a permanently established feature in Canada's financial world. Their business is not new, but it is being put to new uses. It appears profitable and they believe its growth potential is enormous.

They have been paying as much as 9% to finance their growth, but they are confident they will end up in the black.

New firms are springing up.

Not long ago, the Canada Gazette recorded the incorporation of **Nationwide Canadian Leasing Ltd.**, Ottawa. A Chicago office equipment firm and some Chicago financial interests are understood to be behind the venture.

Already operating in the equipment leasing field are: **Traders Leasing Ltd.**, Toronto, **Corporate Plan Leasing Ltd.**, Toronto; **Rentronic Corp.**, Toronto; **Pacific Leasing Corp.**, Vancouver; **Canadian-Dominion Leasing Corp.**, Toronto; and **Coast Leasing Ltd.**, Vancouver.

Canadian lessors believe the U.S. Tishman brothers may move into Canada. Their **Tishman Realty & Construction Co.**, a real estate and hotel operation, added leasing of equipment to its activities two months ago. It is now said to be scouting Canadian opportunities.

A Toronto lessor and a West Coast lessor have been approached by Tishman representatives to start a joint venture in Canada in the field of leasing air conditioning, TV and radios to institutions.

Hertz, the car rental firm, plans leasing of all types of automotive equipment in Canada if a current experiment in the U.S. shows indications of success.

Relatively, very little equipment is acquired yet through a leasing agreement.

Capital outlays for equipment and machinery by the three groups in Canada most likely to produce leasing customers — manufacturing, trade and commercial services — are in excess of $1 billion annually. Total value of equipment bought on lease this year will be perhaps $25 million, or only about 2% of the total.

The trend is up, however, both in capital outlays and leasing.

Together the three groups are going to spend on machinery and equipment in the current year an estimated $1,150 million. They spent $1,001 million last year, and $977 million in 1958, according to Department of Trade & Commerce figuring.

If the trend continues, they will spend some $1,500 million in 1965.

In that year, equipment lessors expect new leases written to cover $50 million worth of new equipment. One lessor reckons that with the speculative element in the business, its present glamour, and more waves of tighter money, the figure may reach $100 million.

"After that, capital available to us will be our only growth limit," he says.

However, most people involved in equipment leasing hesitate to look ahead even that far. For in 1965, some of the great intangibles of today will begin to show their true nature.

The annual rentals receivable represent roughly one fourth of the actual cost (new) of leased equipment, assuming that during the average five-year lease cost of the equipment is fully paid, in addition to leasing costs.

Lessors aim at a 4% net profit on the average contract, but they admit they're not yet making it. And they don't know whether they will.

"We may be in for a painful itch and no hands to scratch," says one lessor.

The problem is the choice between high rental rates providing for the future and lower rentals to attract more new business now.

Contracts written in 1959 and 1960, and involving an estimated total of $35 million worth of equipment, will start running out in 1964. Whether leasing firms are able to renew the leases, or dispose of the equipment for which leases are not renewed, should be a conclusive factor in determining their profit on today's transactions.

U.S. lessors are more and more inclined to put a residual value of the equipment in their books when they write their leases. They do so for accounting, profit calculation and taxation purposes.

Canadian lessors shy away from making any assumptions about what the residual value will be — at least at this early stage of their experience. One of them says he hopes residual value of his equipment will provide for accumulating tax liabilities and "perhaps a bit of gravy." Others are even more hesitant to predict the outcome of what all agree is still an experiment.

How much use for resale purposes, for instance, is a used piece of refinery equipment, or a used boiler in some distant sawmill? It may be obsolete and have merely scrap value.

Meantime, all lessors are finding a growing demand for their services from clients in about every field of industry, commercial services and trade.

At present they sometimes have trouble explaining to clients that lessors don't offer charity. It has been made to look that way in some instances. Widely heralded, sometimes doubtful, advantages, such as tax savings, are still the major cause of corporations' interest in leasing.

The lessee gets his equipment as ordered from the manufacturer of his own choice, has it installed following his own specifications; in short he can act as owner. He pays a month's rent in advance and writes a monthly cheque, the same way he does for telephone, hydro and rent.

He figures that he has equipment doing a profitable job for him, can claim tax deductions for the rentals, has no accounting and technical bother, no heavy down payments, no straining of his credit line with the bank. (His credit would suffer, of course, if the rental costs endangered his ability to meet other obligations.)

In fact, a lessee can count these blessings at roughly the price it would cost him to buy "his" equipment himself.

Tell him the cost is relative and is made up of the price he pays, minus tax advantages, minus what freed cash flow and equipment earn for him, etc.

His balance sheet doesn't show the asset, but neither does it show the liability he has contracted in the form of lease rentals.

Only time and individual requirements can tell whether leasing is more profitable than owning. And whatever the profit, if you think of leasing, keep in mind that the lessor is out to make a profit too.

In the U.S., where equipment leasing has been making strides since the early 1950s, agreements have been written covering just about everything from a typewriter and an aircraft engine to a mudbarge and a complete plant installation.

All leasing, except real estate, in the U.S. is expected to cover $2,100 million of goods this year. Of that amount, equipment will account for one fifth.

U.S. figures for equipment leasing growth are climbing: $180 million in 1957, $227 million in 1958, $307 million in 1959, and an estimated $410 million in 1960.

One leader in the equipment leasing field, **U.S. Leasing Corp.**, started in 1952. Last year approximately 85% of its business with 1,500 customers (760 in 1958, 370 in 1957) concerned equipment for companies with a net worth of $1 million or more.

Its receivables in 1959 were $36 million, $28 million in 1958 and $20 million in 1957. This company made a net profit of 24c a share last year, up from 18c in 1958 and a loss of 8c in 1957.

In Canada, Canadian-Dominion Leasing, a subsidiary of U.S. Leasing, preferably writes a lease for a triple-A1 company. At present the company is "somewhat less selective," according to Vice-President D. E. Mundell.

Less than a year after Canadian-Dominion opened an office in Toronto in July, 1959, it had in excess of $1 million equipment on its books. In the first half this year, the firm wrote eight times as many leases as in the second half of last year.

Canadian-Dominion seeks in one phase of its operations to lease equipment as part of a package plan under which companies lease not only their land and buildings, but also the equipment in them. The firm will also buy a company's equipment and lease it back.

First and largest leasing company in Canada, Traders Leasing Ltd., Toronto, is an associate of **Traders Finance Corp.** Traders Leasing vice-president R. Hugh Roberts says equipment leasing has no mystery and should be regarded as another form of financing. As such it is entirely complementary to the activities of Traders Finance, according to Roberts.

He feels very strongly that leasing is not for everybody. He says it is not cheaper than owning, but it can be more profitable.

As an example he quotes the Canadian subsidiary of a U.S. radio and electronics manufacturer. In Canada the firm leased a large part of its office equipment when it found that under a specific government contract, it could write off the entire cost.

A spokesman for the radio firm says leasing the equipment has proved an advantage only for this special reason. Without the government contract, it would not have considered leasing.

British Columbia Telephone Co. which leases more than $500,000 worth of office equipment from Coast Leasing, is another example. In the utility's case, capital freed through leasing is used for expansion of money-making services.

A third example is that of a healthy Ontario manufacturing operation which is still burdened by recently contracted funded-debt. It has also used most of its credit line with the bank which has put a ceiling on the amount this firm may spend annually during the next three years on new equipment.

The firm showed excellent growth and needed new equipment. It has resorted to leasing as the only means available to get the equipment.

Likely lessees can be found in the obvious growth industries, among the manufacturers who evidently have no interest in owning their equipment, and among people who for valid reasons wish to expand, but lack capital, or prefer to conserve it and their credit line for other purposes.

Rapid obsolescence of equipment is another factor which could encourage more leasing. Leasing companies see tremendous prospects in such industries as electronics, petroleum and chemicals, whose equipment has an increasing rate of obsolescence.

Manufacturers in these fields are apt to lease rather than buy, because they save themselves the bother of getting rid of the equipment and the problem of financing frequent new purchases.

Equipment makers and distributors are watching the trend in leasing. For them it may mean a valuable additional sales tool.

One large dealer, who sold $750,000 worth of office equipment to leasing companies last year, points out that it left him free from bad debt risk.

The danger of having leasing companies competing in the market with second hand equipment later on, can be avoided by writing a repurchase clause into the sales contract, he says.

Leasing isn't likely to take much business away from the traditional lenders. On the contrary, one leading finance company is partly financing two leasing companies.

From institutions in these fields, there is little comment. The banks watch leasing by their borrowers without concern so far. They want to know what their clients own and earn, rather than how they earn it.

However, K. H. MacDonald, vice-president of **Industrial Acceptance Corp.**, met with agreement from many quarters when he said that leasing can't offer anything that financed purchase doesn't have.

"Lessors must be as cautious as everybody else and for that reason deal only with good credit risks," MacDonald told a recent gathering of equipment distributors.

He pointed out that anybody in the lending and financing business will do business with a good credit risk.

He did not say, however, whether the finance companies will cut the grass from under the lessors' feet by allowing longer terms (5-10 years) and requiring lower or no down payments.

Some people believe leasing will encourage unjustified and undesirable expansion, whereas normal lending procedures tend to curb expansion when money is tight.

Theoretically and in terms of net cost (cash outlays minus tax savings), leasing can be cheaper, depending on the profit tax rate, than owning during the first six to seven years, and ignoring the asset book value in the case of ownership.

However, to judge the real advantage or disadvantage of leasing versus owning, it would be more realistic to consider relative cost, i.e. total real cost minus advantages resulting from tax savings, cash flow generated by depreciation and freed capital.

In the final analysis, the question of whether leasing is more profitable can be answered only by comparison of the gain resulting from freed capital and the use of the equipment in the case of leasing, and the gain from cash flow and ownership in the case of buying.

Relief Map courtesy Can. Aero Service Ltd.

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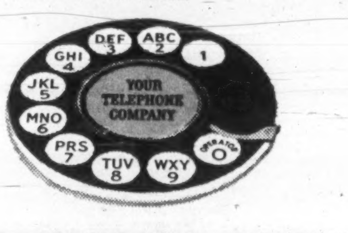

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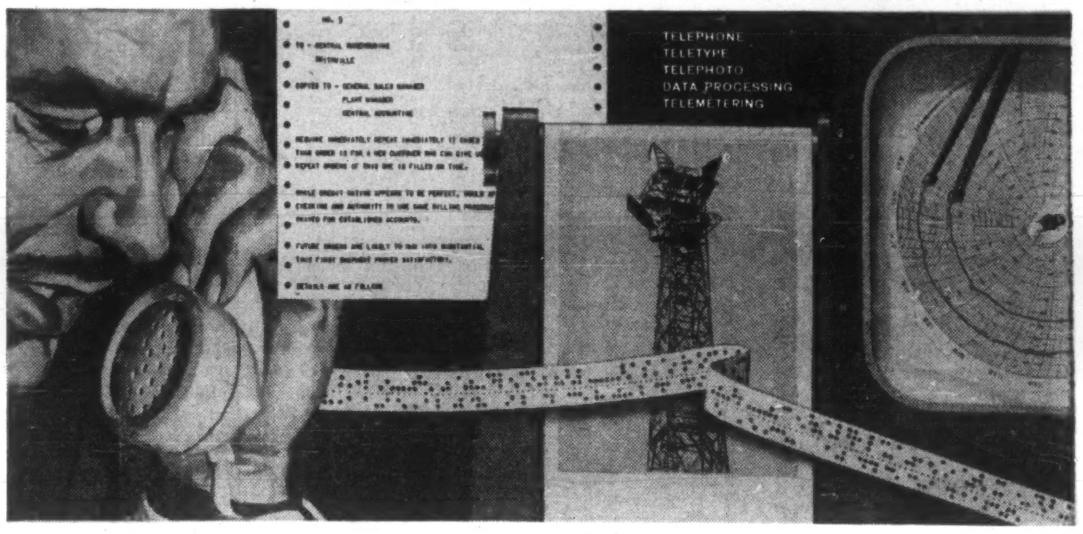

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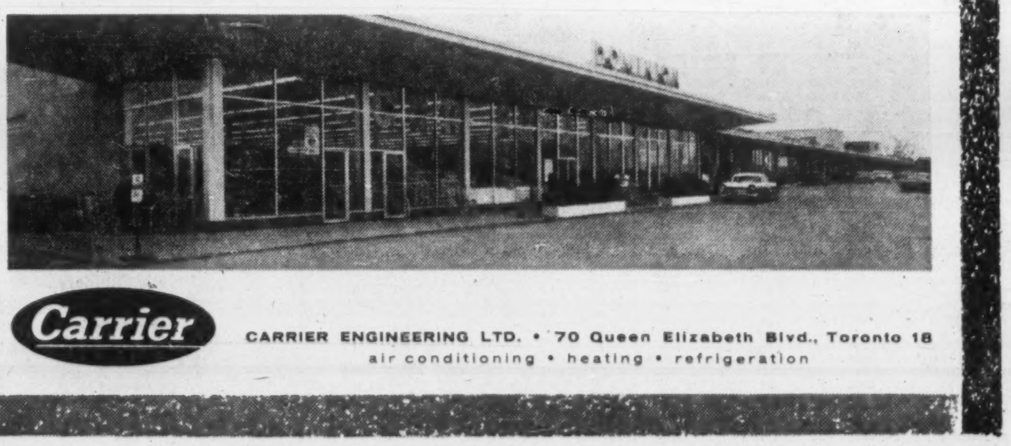

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ANNOUNCEMENT

GENERAL STEEL WARES LIMITED APPOINTS

ROBERT L. CUMMINS

The appointment of Robert L. Cummins as General Sales Manager of McClary-Easy Laundry Division of General Steel Wares Limited is announced by Mr. Gage Campbell, Vice-President and Director of Sales of the Company. Mr. Cummins is a past vice-president and presently chairman of the marketing committee of the Canadian Home Laundry Manufacturers Association. He has been actively engaged in the home laundry industry for many years and was previously associated with Thor Industries Limited as Vice-President of sales.

NEW VOLVO OFFICE

Canadian head office of **Auto Imports (Swedish) Ltd.** in Vancouver has been moved down town to 1130 West Georgia St. Canadian distributor for Volvo automobiles, Auto Imports introduced the P-1800 sports car with opening of the new office.

Un. Asbestos Cuts Deficit

Production nearly doubled and shipments of fibre nearly tripled. This is the record of **United Asbestos Corp.** in first half 1960 when its per ton recovery was increased to 5.15% (4% in first half 1959).

Company's Black Lake mine reduced operating deficit by half, to $806,167 from 1959's first half $1,744,985.

President A. B. Davidson reports that steadily improving recovery can be expected.

From 823,841 (577,693) tons milled in first half 1960, production was 42,541 (23,112) tons of fibre and shipments were 39,551 (12,980).

United's wholly-owned **Detinu Holdings** continues expansion in the construction and concrete products industry. Since purchase of 50% of **Thorold Concrete Products** and 5% of **Capital Concrete Products,** Detinu has also:

- **Increased** to 50% its shareholdings of **Harvey J. McFarland Ltd.,** of Picton, Ont.
- **Purchased** all shares of **Transit Mixed Concrete & Builders Supply,** Niagara peninsula's ready-mix producer.
- **Bought out Iroquois Beach Gravel Ltd.,** which has estimated 20 million tons aggregates in Toronto area pits.

Yellowknife Bear Evaluates Holdings

Investments of **Yellowknife Bear Mines** were valued at more than $13 million ($2.70 per share) at Aug. 12, President J. Bradley Streit told shareholders.

Holdings in **Giant Yellowknife Mines, Flordia West Coast Land** and **Ridgeway Corp.** account for $2.40 of the per-share assets total.

Prospects of demand and price increases for silver have prompted the company to option claims on a partially-developed property in the Gowganda silver area of Ontario.

Taking Stock

What's going on in the mining and oil markets — the facts and rumors.

OPPOSING factors are at work in copper markets, clouding the near-term outlook for investors.

A listless U. S. demand continues hand in hand with a fairly brisk overseas business and a firm London price. With the hope of a fall upturn in domestic metal demand, U. S. observers are calling for the primary producers price to hold at the current 33c lb.

To the "ifs" in this picture add the potential influence of the Congo's political situation and the possibility of a strike at **Anaconda** in Chile.

Copper stocks have been tracing an uncertain trend line this summer as a result, although several key issues are ahead of the early spring price levels.

	Latest Price $	Mid June $	Mid April $	— 1960 — High $	Low $
Campbell Chibougamau	6.85	6.25	4.40	6.90	4.30
Geco	18	17⅝	17	19.25	15.00
Maritimes	.83	.81	.86	1.33	.71
Noranda	39	36¾	39¼	48.75	36.00
Opemiska	6.50	6.20	6.35	8.60	5.25
Willroy	1.20	1.23	1.25	1.64	1.10

* * *

Answers on **North American Rare Metals** should be known in about three to four months. Shaft is down to the iron deposit in the Temagami area and underground exploration should soon reach ore. A good underground look, extensive bulk sampling and pilot plant work, and **Rio Tinto** will know whether it can be brought into profitable production. North American stock trades at 55c, up from 50c week ago.

East Sullivan, Sullivan Cons. and **Quebec Copper,** all part of the Beauchemin family interests, are centre of speculation of big merger plans afoot. East Sullivan, top dog in the group, is the feature, moving from around $1.75 to $1.95.

Rumors of "big deals" pending on **Northern Canada Mines** recur with the shares flipping ahead to $1.42 from $1.25 in quiet trade. Stories have been circulating for about a year.

* * *

Canadian Malartic Gold Mines reports its first success from drilling for possible extensions of the neighboring **Barnat** orebody. A low grade mine, Malartic's hopes are based on two gold veins picked up in underground drilling. Malartic shares at 38c compare with 42c a week ago and a 1960 high-low pattern of 68c and 37c.

Giant Yellowknife had record high earnings in fiscal year ending June 30. Net profit was equal to 41c a share, compared with 36c the previous year. Giant stock sells at $10⅞, unchanged from mid-August.

* * *

ON THE OIL AND GAS FRONT—Shares of leading gas and oil companies generally drift lower after the buying flurry on gas export approvals.

Bailey Selburn trades at $5.65, down from a recent high of $5.90, **Calgary & Edmonton** is steady at $16¼. **Dome Petroleum** eased from $7.10 to a mid-week price of $6.95.

Ranger Oil (Canada) Ltd. reports a 9% rise in operating income in first half this year over same 1959 period. Oil and gas output were higher by 11% and 21% respectively. Ranger shares are quiet, trading at $1.

Ventures Net Up 7c Share In First Half

First **Ventures Ltd.** interim report since **Frobisher Ltd.** was acquired and **Giant Yellowknife** was merged with **Consolidated Sudbury** reveals a net income of $1,203,045 (50c per share), up from 1959's first-half income of $1,045,724 (43c).

Increase of $312,822 in dividends from prosperous **Falconbridge,** over 1959's first half dividends, accounts for Ventures' better income picture in the 1960 half since administrative and exploration costs are substantially up.

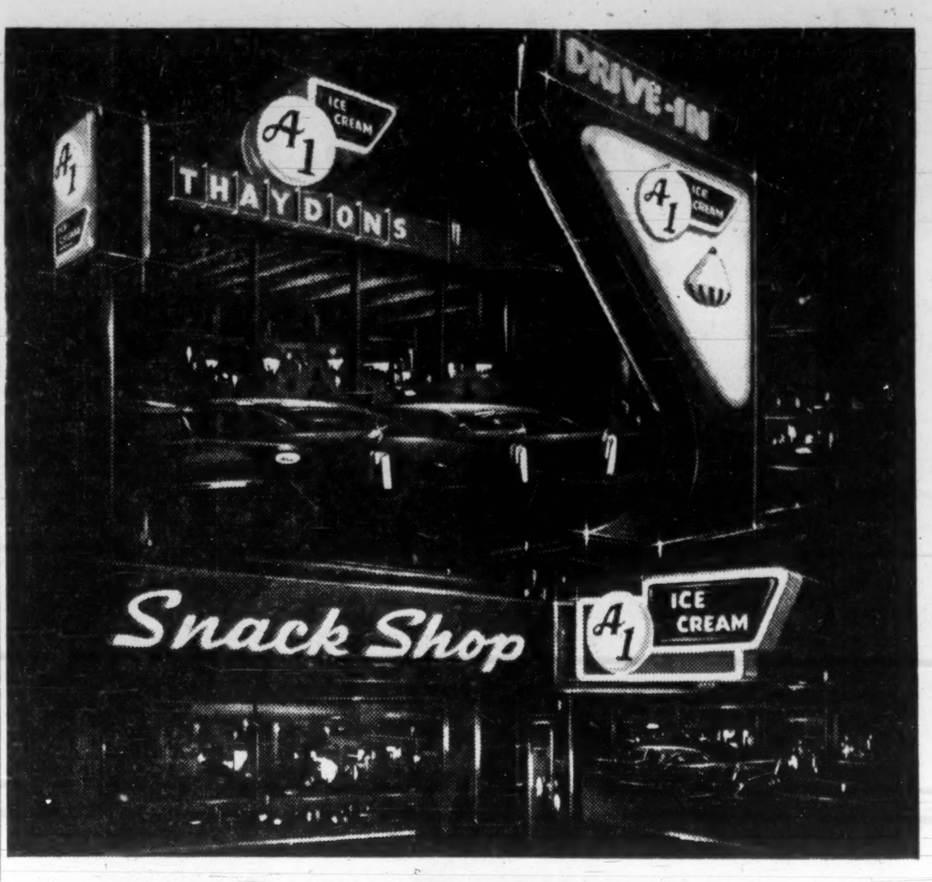
Much in the news, Ventures' acquisition of Frobisher Ltd. and merger of Giant Yellowknife Gold Mines and Consolidated Sudbury Basin into **Giant Yellowknife Mines (FP, July 2)** are noted by President H. J. Fraser as the two major changes in the company's recent fortunes.

Ventures' direct interest in the following companies stand, according to the report, this way: **Alminex Ltd.,** 42.2%; Falconbridge, 57.2%; Giant Yellowknife, 29.7%; **Kilembe Copper Cobalt,** 79%; **United Keno Hill,** 41.1%.

Highlights of these and other companies in the Ventures report:

- **Alminex:** Oil production up. Gas sales also up as Carstairs unit came into production this spring.
- **Falconbridge:** Earnings and production ascending. Per share income at $2.06 in 1960's first half.
- **Kilembe Copper:** Unaffected by Belgian Congo disturbances, the Uganda mine subsidiary earned increase to 11.4c per share in first half 1960, compared with 4c for whole of 1959.
- **United Keno Hill:** Earnings improved. Total holdings of Ventures and associates in this company now 57.7% of issued capital.
- **Coniaurum Mines:** Expected to cease operations this year, reports net loss for first half 1960.
- **La Luz Mines:** Operating profit in January-June of $355,023, lower due to grade reduction but expected to improve. Subsidiary **Rosita Copper** in full production rate at 1,250,000 lb. copper per month (**FP,** Aug. 20).
- **Metal Hydrides:** Seeking sodium contract with U. S. Reports net loss at first half conclusion.
- **Opemiska Copper:** Net earnings of 34c per share in first half. Bank debt paid off.

First half:	1960	1959
Falconbridge dividends	$1,498,988	$1,186,166
Other subsidiaries	28,500	41,317
Other companies	128,015	139,529
Interest, royalties	274,722	335,130
General expenses	323,450	286,315
Interest	107,308	120,255
Taxes	3,782	2,664
Exploration	292,640	247,184
Net income	1,203,045	1,045,724
Per share	50c	43c



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To the Shareholders of

STANLEIGH URANIUM MINING CORPORATION LTD.

NOTICE

RE OFFER TO PURCHASE CERTAIN SHARES

Rio Algom Mines Limited offered on August 2, 1960 to purchase ONE-HALF of the holdings of each shareholder of Stanleigh Uranium Mining Corporation Limited at $1.10 (Canadian) per share.

The time for acceptance of the offer, which is subject to certain conditions, has now been extended from August 22, 1960 to August 29, 1960. All other conditions to which the offer is subject remain unchanged.

A copy of the offer and a letter of transmittal were mailed to each shareholder of record. Any shareholder who has not received the offer and any person owning shares not recorded in his name is advised to communicate at once with

THE TORONTO GENERAL TRUSTS CORPORATION

253 Bay Street, Toronto, Ontario, Canada
EMpire 4-4371

HERE'S WHAT ELSE INVESTORS WANT TO KNOW . . .

BECAUSE YOU ALREADY KNOW that heightened defense spending, easier money, wage-price spirals and a host of other factors are now pointing towards a long-term period of incipiently rising inflationary pressures, you're also well aware that the fixed-value securities in your present bond portfolio are now peculiarly vulnerable to erosion—especially if, as so many other investors today, you happen to be too speculatively overextended in the bond market.

MEANWHILE, YOU'RE ALSO beginning to notice that a number of those underpriced and ultra high-yielding stocks on the Toronto board are no longer available. This of course is a condition that will surely grow more serious over the months ahead, for still another round of U.S. bank-rate and margin-requirement cutting can be expected before the voters go to the polls in November.

WHAT ELSE you want to know, then, is where you should commence "switching" bond capital at this time. Only a week ago, the Industrial Index on the TSE was up by more than 22 full points from its 1960 low, while old standbys like **Bell Telephone of Canada** and **Canadian Breweries** were no longer yielding more than 5%; **Traders Finance A** was already down below 7%, and **John Labatt** had slipped all the way down into the 4% range. What will the yield on TSE Industrials be next week or the week after? How much will you have to pay for them a month from now?

AND ADVISING INVESTORS WHERE TO SWITCH — especially at this time—is our job. Moreover, it's by no means too late if you know where to look, so why not drop us a line today at THE CANADIAN FORECASTER, 238 Adelaide Street West, Toronto. 60-day trial for our eight-page weekly bulletin on Canadian stocks and the market is $5 or $5.50 airmail; annual subscription—$45. Our phone number is EMpire 4-5421-2, and personal attention from our Research Department is available to all readers at any time without additional charge.

MEMO to clients who have been contacting Investment-Help Service for buy, sell, hold, stop-loss instructions re **Thorncliffe Park, Creative Telefilms, Moore Corporation, Page-Hersey, Murray Mining, Latin American Mines, Union Gas, MacMillan B & PR, Canada Southern Petroleum, Central Del Rio, Copper Rand, East Sullivan, Noranda, United Oils, C.P.R., Massey-Ferguson, Jockey Club, A. V. Roe** and especially **General Dynamics** —our opinion remains the same. . .

Falconbridge Nickel Maps $25 Million Growth Plan

News of **Falconbridge Nickel Mines'** prosperous present (see p. 27) is eclipsed this week by details of a long-term, $25 million "progress program" that includes a $5 million iron recovery plant.

At a time when the company enjoys higher sales, lower costs and better copper prices, this new entry by Falconbridge into Canada's $185 million-a-year iron industry was detailed to **FP** this week by President H. J. Fraser.

Elaboration on Falconbridge's current "progress program" reveals:

- **Concentrator plant expansions and revisions** at costs of $7.5 to $10 million.
- **Continued development of the Strathcona orebody** by capital expenditures of $10 million to $15 million in the next four years.
- **Refinery changes,** shifting the method of furnacing for lower-cost operation.

Located at the main Falconbridge property, the commercial recovery plant emerges from four years of pilot plant incubation.

Tests and treatment preliminaries on the pyrrhotite ores have already cost $2 million and another $3 million will be spent before start-up target in about 12 months.

Schedule calls for the main stack to be completed before winter. Plant feed is slated to be supplied by the Falconbridge mill.

Initial design makes the plant capable of treating 100,000 tons of ore per year.

In conjunction with milling plant changes required to feed an iron recovery operation, Falconbridge's planners have designed expansions and revisions in the concentrators that will add 500 to 600 tons in additional daily milling capacity.

Present Falconbridge capacity: 6,000 tons daily from all mills.

Meanwhile, work at the reserves-rich Strathcona property will see shaft-sinking in progress before year's end.

Fraser told **FP** that company had purchased the headframe and hoist-room equipment from **Rio Algom's** Lacnor property at Elliot Lake (Lacnor was a victim of the uranium industry's stretch-out).

Kilembe Half Net Climbs Sharply

Kilembe Mines, East Africa copper-producing subsidiary of **Kilembe Copper Cobalt,** has in first-half 1960 near tripled 1959's net of $154,278. The January-June profit: $442,400.

The **Ventures**-associated company spent some $752,658 during the period, mostly in crusher and ore storage facilities about to come into service.

Mined ore totaled 435,320 tons, more than half the 701,435 tonnage extracted in 1959.

Total production revenue was $3,868,082. Offset items include operating costs of $2,175,684, development and depreciation expenses of $925,544, interest and tax charges of $173,506.

Summary of Kilembe production:

	6 mos. end. June 30/60	Grade copper %
Ore milled:		
Sulphide, short tons	334,606	2.19
Oxide, short tons	96,883	3.21
Concentrates prod.		
Sulphide, short tons	22,401	28.98
Oxide short tons	9,057	24.36
Blister copper, short tons	7,769	..

Malartic Gold Net Affected By Exploration

Exploration costs of $18,690 contributed to a lower profit position for **Canadian Malartic Gold Mines** during first half 1960, the estimated net down to $50,493 ($71,804 for first half 1959).

Securities sales added $23,379 to non-operating revenue.

Malartic's exploration work from the 1,375-ft. level is in greenstone area for ore-bearing porphyry. Drilling from the cross-cut has shown a dyke averaging 0.63 oz. of gold for 72 ft. by 3 ft. wide.

A 34.6-ft. section of porphyry, 300 ft. below the level, averages 0.117 oz. from three angled holes.

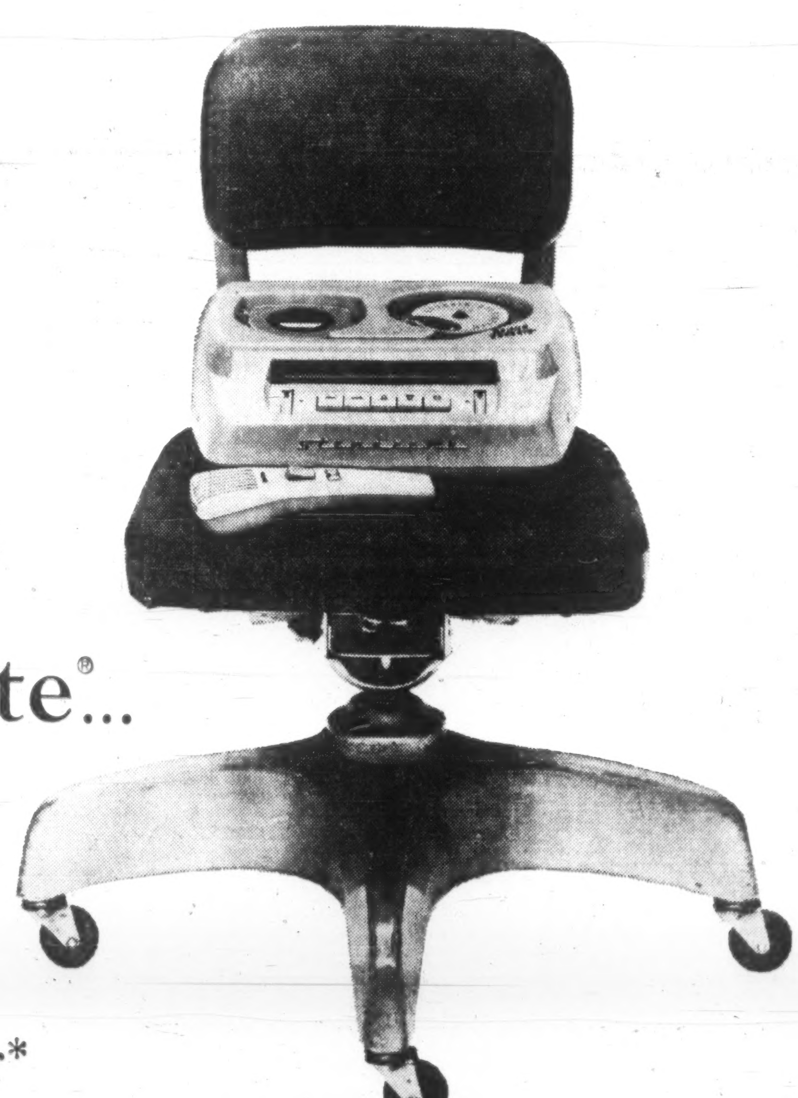
	— First Half — 1960	1959
Tons milled	231,290	233,290
Gross production	$722,428	$753,202
Cost aid	164,000	129,000
Other income	36,784	6,460
Marketing	6,240	6,385
Operating costs	829,439	787,672
Depreciation	18,000	21,000
Taxes	350	1,801
Exploration	18,690	....
Est. net profit	50,493	71,804
Earnings per share	1.4c	2c

Rio Algom Extends Stanleigh Offer

Shareholders of **Stanleigh Uranium Mines** have to Aug. 29 to accept **Rio Algom Mine's** offer of $1.10 per share.

Extension of one week does not alter any other conditions of the offer, Rio Algom advises.

The offer to Stanleigh shareholders is for half their holdings. Bondholders have already voted approval of the Rio Algom offer (**FP,** Aug. 20) which would transfer property and remainder of Stanleigh's uranium contract to Rio Algom's Preston East Dome Mines.



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For Frank Ross Vice-Regal Job Costs $500,000

Friends of Lieutenant-Governor Frank Ross of British Columbia estimate that, even with an annual $21,000 in salary and allowances, his five-year vice-regal term has cost him $500,000 in out-of-pocket expense.

Oddly enough, once upon a time, the B.C. lieutenant-governor could "make" money if he took office as a wealthy man.

By JAMES K. NESBITT

VICTORIA — Being lieutenant-governor of British Columbia in the style of Frank Ross costs somewhere from $65,000 to $90,000 a year out of the lieutenant-governor's own pocket.

Needless to say only a fairly wealthy man can afford the luxury — and the hard work — of being the Queen's representative in this province.

The federal government pays $9,000 a year to the lieutenant-governor, as salary, and $12,000 a year for expenses.

(Lieutenant-governors of Ontario and Quebec are paid $10,000 salary, of Prince Edward Island, $8,000, of the other provinces, $9,000.)

However, this total barely pays the household staff, and the hordes of maids and extras who must be engaged for big social events — a garden party, a large reception, a state dinner and ball.

Time was when a rich man could make money being lieutenant-governor. When British Columbia collected its own income tax, the lieutenant-governor was exempt. Now, with Ottawa collecting income tax, there's no exemption. He must pay tax even on the $9,000 salary.

ROSS

The British Columbia government pays about $100,000 a year for maintenance of Government House, and its spacious grounds, one of the landmarks of Victoria, high on a rocky hilltop with magnificent views of the Strait of Juan de Fuca, the snow-capped Olympic Mountains in the State of Washington, and the Hills of Sooke, in the wilderness of Vancouver Island.

The light, water and fuel bill runs about $20,000 a year. The office staff costs the government $21,000 a year.

But the other expenses — chauffeur, butler, personal maid, cooks and parlor and table maids must be paid by the lieutenant-governor himself. He must also pay all the food and liquor bills, though Government House buys liquor at cost — a large saving.

A big garden party at Government House, for instance, costs about $5,000. A state dinner for 50 people is a $15 a plate affair.

Lieutenant-governor Frank Mackenzie Ross, retiring in October, won't say how much his five years in office have cost him.

Those in the know estimate nearly $500,000.

Ross, 69, is one of Canada's wealthiest men, and, as lieutenant-governor has given generously not only of his wealth, but of himself.

All he'll say is:

"I've done things a little expensively perhaps — this job is strenuous."

He's a Scot, likes to recall how, in January of 1910 he arrived in Canada as an immigrant. He found fortune and fame in this country, rose to become the Queen's representative in British Columbia.

He has entertained more British royal personages than any other lieutenant-governor in B.C.'s history, more than any other lieutenant-governor in Canada.

His first guest after he took up residence in Government House was The Princess Royal. Last year he was host to the Queen and the Duke of Edinburgh, a month later to Princess Alexandra of Kent.

In 1958 he entertained Princess Margaret, accompanied her on a tour of British Columbia.

Queen Mother Elizabeth stayed overnight with His Honor and Mrs. Ross at their Vancouver mansion two years ago.

In return for these courtesies Mr. and Mrs. Ross have been entertained at glittering royal affairs in the U. K. They were guests at Princess Margaret's wedding, have often been to Buckingham Palace and Clarence House.

Ross has traveled more than any other lieutenant-governor in history. Once a year during his term of office he has flown across the Atlantic and back.

At least every six weeks he has flown to Montreal on his own business.

He and Mrs. Ross have visited practically every part of British Columbia.

In remote places they have entertained the citizens, bringing five or six members of the Government House staff with them.

In April of 1957 Mr. and Mrs. Ross were awakened one dawn to find Government House in flames. They escaped with practically nothing but the night apparel they were wearing.

For two years they occupied a suite in the Empress Hotel, at about $25,000 a year, paid by the governor himself. Somehow, he got through those two years without letting go any member of his large household staff.

He shuttled them back and forth between the Empress, his Vancouver home and his ranch house.

The new Government House, opened by the Queen last year, cost the B.C. government about $2 million. It is the most elaborate Government House in Canada, certainly the most gleamingly modern.

Mr. and Mrs. Ross bought and begged many of the furnishings, priceless bric-a-brac and paintings, which they are leaving for posterity.

From **CNR** president Donald Gordon, Government House received some large oils painted years ago by noted artist Horne Russell.

In his retirement Mr. Ross will live mostly at his Vancouver home and in his new farm house, on 225 acres at Cloverdale, in the lush Fraser River Valley, where his hobby is thoroughbred Welsh ponies, which he imports direct from the mountains of Wales.

Until a few years ago he was a big-time rancher.

With the late Victor Spencer, he owned the vast Douglas Lake Cattle Ranch, one of the largest in the world.

He and Spencer sold for $3 million to Charles N. Woodward, youthful head of the great **Woodward** department store chain of British Columbia and Alberta.

Mr. Ross will keep his summer home at St. Andrew's-by-the-Sea in New Brunswick, which he visits once a year. That way he and Mrs. Ross can be near her son and daughter, handsome bachelor lawyer John Turner, once a favorite dancing partner of Princess Margaret, and Mrs. John Norris, both of whom live in Montreal. Mrs. Ross was a widow when she and Ross were married in Ottawa in 1944.

Frank Mackenzie Ross goes out of office richer for a varied experience in life, which few men are permitted to enjoy, and nearly $500,000 out of pocket.

Retailers Worry Over New Move For Indirect Tax

Retailers are listening closely to new rumblings about extension of provincial sales taxes.

The major concern:

That there will be an effort to amend the British North America Act so that indirect sales taxation could be applied by the provinces.

It would be "very difficult" to pass on such a tax to the public, retailers fear.

Once before, in 1951, the idea was in the air and retail opposition was strong in the fight against it.

Even if Ontario—which brought the issue up again—does not carry through with an amendment attempt, it might resort to direct sales taxation as is now done in seven other provinces, E. F. K. Nelson, general manager of the Canadian Retail Federation, says.

Wen-Gren Subject of B. C. Campaign

From Our Own Correspondent

VICTORIA — Here are some of the issues at stake in the short, furious election campaign expected to precede British Columbia's Sept. 12 election:

- **Social Credit negotiations** with Wenner-Gren interests for development of a vast block of north-central B.C.

(The CCF argues—and Socreds deny — that the government is giving away natural resources.)

- **Building of the Pacific Northern Railway** under Wenner-Gren auspices.

- **Socred financial policies.**

(Premier Bennett says the province is free of direct debt for the first time, but the opposition says the debt has been piled on other agencies for which the government is ultimately responsible.)

- **Health policies.**

(The CCF calls for all-inclusive health insurance and socialization of medicine.)

- **Hydro policies.**

(The CCF is pledged to take over the rich **British Columbia Electric Co.**)

The government will make the most of its accomplishments which it lists as:

- **$50 a year rebate** to home-owners.
- **$10 million ferry service** to Vancouver Island.
- **$10 million Deas Island tunnel** under the Fraser.
- **New network of highways** and bridges.
- **More financial aid** to schools, municipalities, hospitals.
- **Completion of the PGE** railway into the Peace River district.
- **Care of chronically ill** under government hospital insurance.

Horne & Pitfield Net Up 16.6%

Net earnings of **Horne & Pitfield Foods Ltd.,** Edmonton, Alta., totaled $246,506 (37c per share) in fiscal year ended April 16, 1960, up 16,6% from $211,305 (31c) the year before.

Sales were a record $36.2 million, 10% higher than $32.9 million in 1958-59 fiscal year, Chairman John F. Damore and President Bertram Loeb report.

For the first 12 weeks of current fiscal year, sales and earnings were higher than in corresponding 1959 period.

Expenses of reorganizing and consolidating the two predecessor companies **(Edmonton Associated Wholesale Ltd.** and **Horne & Pitfield Ltd.)** are completed and company looks forward to a proportionate increase in earnings.

Retail expansion in the past fiscal year included opening of three stores in Edmonton as well as at Westlock, Red Deer, Medicine Hat and four in Calgary.

Since May, additional stores have been opened in Camrose, Wetaskiwin, Macleod and Stettler.

Four further stores are scheduled to be opened before January, 1961.

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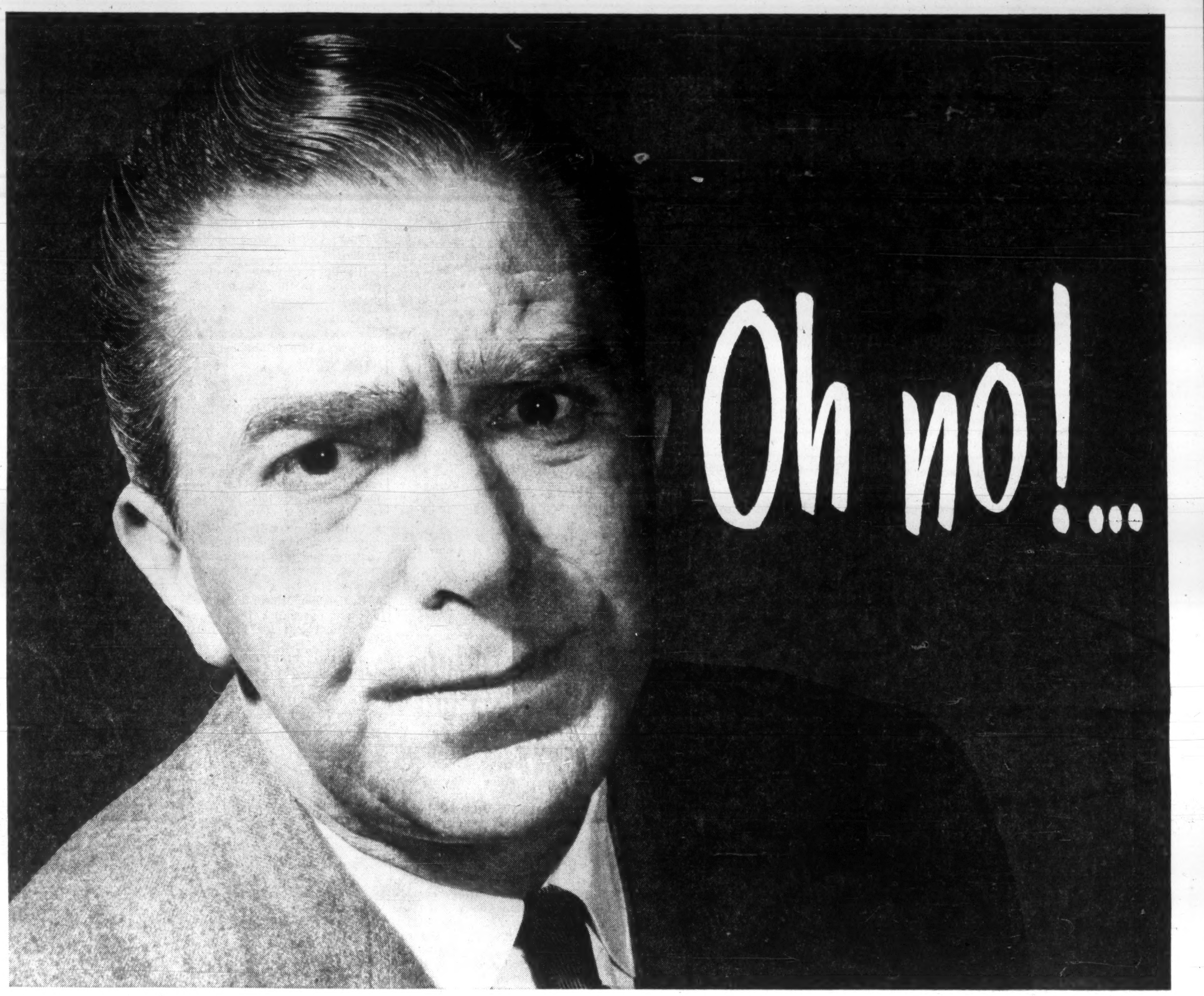

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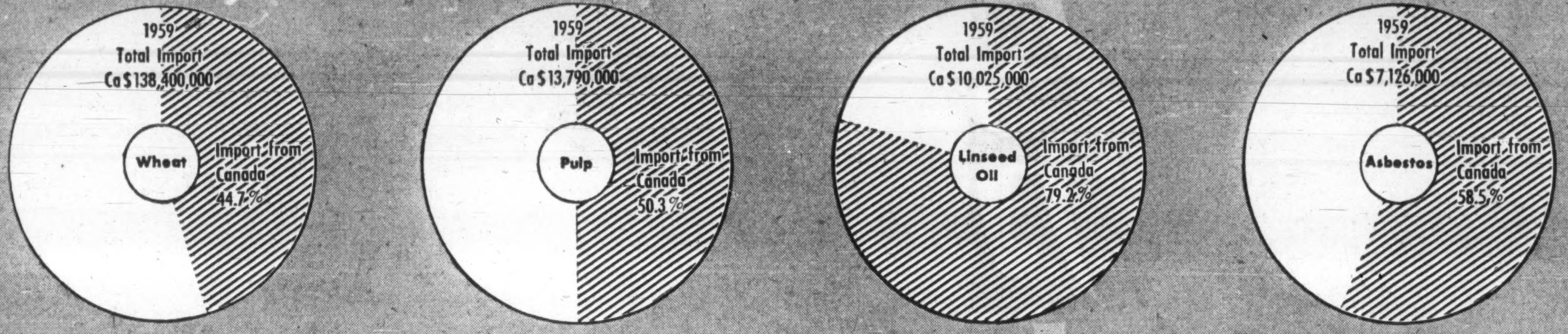
The Financial Post

Vol. LIV | Member of Audit Bureau of Circulations | Publication Office: Toronto, August 27, 1960 | Twenty-five Cents an issue, Eight Dollars a Year | No. 35

The old Japan of Kabuki plays and geisha girls is still there. Neat rows of tea plants still file along steep hillsides. The kimono doesn't always give way to western dress. But a glittering new empire of industry and trade dominates the international view of the island nation. This is a country which can talk of economic growth of 15% in a year, where one of the big industries can add 80% to its output in same period. At home, Japan is making rapid, society-wrenching adjustments in its thinking and acting — adjustments which have taken centuries in other nations. Abroad, efficient Japanese industry is opening up new markets. This special FP Report on Japan discusses that country's economic progress and the successes and problems of its trade with Canada.

Prosperous Japan

Is One Of Canada's Best Markets



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Consulate of Japan,
180 University Avenue,
Toronto, Ontario

Consulate of Japan,
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510 West Hastings St., Vancouver

Consulate of Japan,
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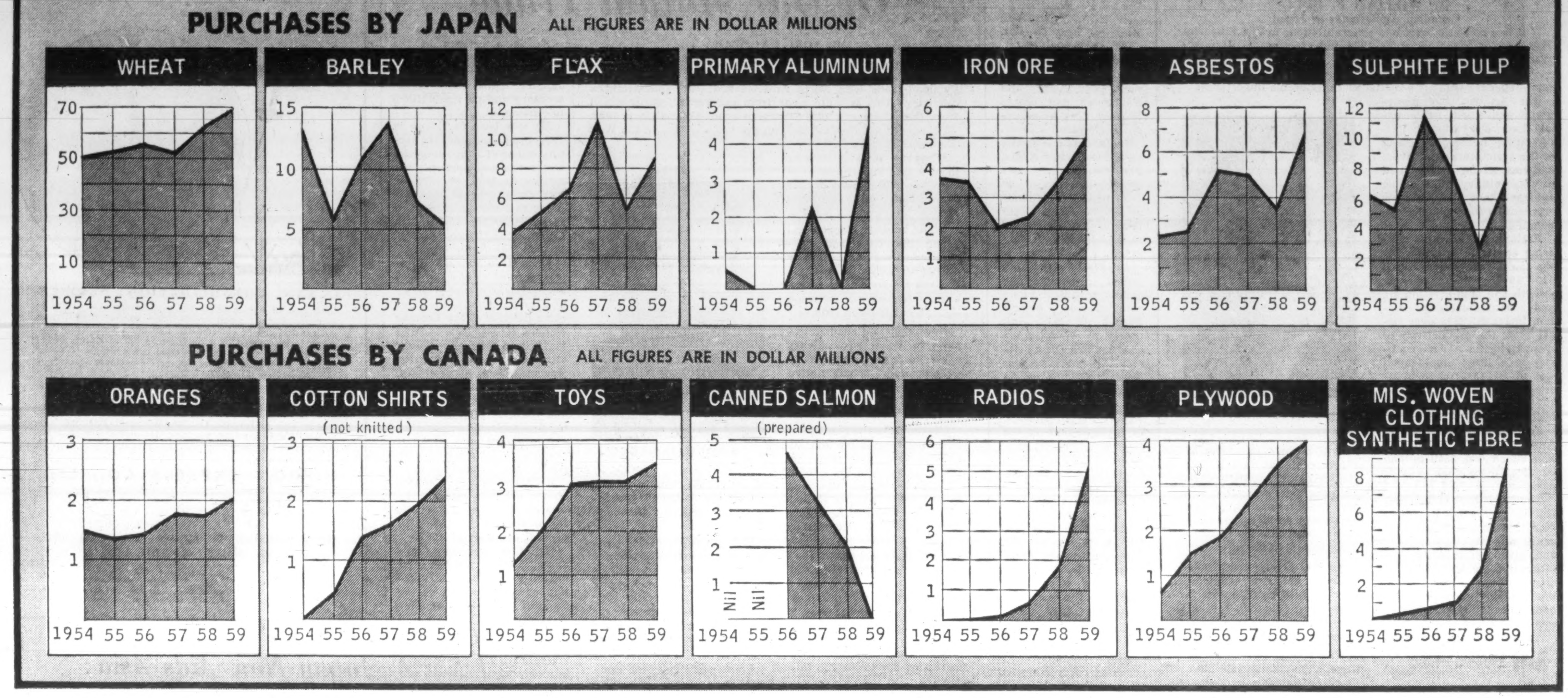
The Course of Japanese-Canadian Trade, Selected Items



Booming Prosperity Creates Its Problems

Japan Feels the Strains of Economic Progress in Changing Society

Progress is a problem in Japan.

Of course, the country's rapid economic advance is a blessing too—one most necessary to a nation with an over-population problem and existing on the free world's frontiers with communism.

But change is so speedy that—set against a background of international tension — it inevitably produces social, political and economic pressure points.

The result: Worrisome outbursts which hit world headlines.

Most spectacular were this year's riots against the new Japan-U. S. security pact and the Eisenhower visit, culminating in the resignation of Premier Nobusuke Kishi and the succession of Hayato Ikeda, also a member of the majority Liberal Democrats.

There have also been other signs of strain . . . the bitter coal mine strike, the problem of social adjustment reflected by the unrest of the students and the young, the tussle to deal with export price-cutting competition which antagonizes foreign nations and may, in the long run, lose markets.

Many problems remain but, so far, any fair evaluation reaches this conclusion:

The Japanese in the last 15 years have done an almost awe-inspiring job of economic rebuilding and laying the basis for probable further fast growth.

They have maintained relatively full employment in a heavily populated country while achieving great technological advance to raise per capita productivity.

The rate of industrial production has more than doubled since 1955 (Canada: up about 18%). Gross National Product rose almost 15% last year (Canada: 6%).

Exports in the first half of this year hit $1,824 million and imports $2,243 million. This total rate of around $8,000 million annually makes it one of the world's top half-dozen trading nations (with the U. S., U. K., West Germany, France, Canada).

Foreign currency reserves have advanced to around $1,500 million. This prompts beginning on what may be a massive program to remove all import restrictions resulting from currency considerations.

This is certainly a statistical picture of good economic health.

But it doesn't tell the whole story of the distortions and uneven advances which are inevitable in such a period of transition.

Agriculture, for instance, remains primitive by western standards.

Compelled to support the millions of people not yet absorbed by expanding manufacturing and service industries, it has been unable to take full advantage of potential economies of size and mechanization.

This problem is being tackled by the government but a real solution will be a long time coming.

Some of the metal-producing, machine tool and chemical subindustries are still below the international average of efficiency. The automakers see much room for improvement.

But superb examples of modern Japan's ability to produce efficiently are found in such vital industries as basic steel, electronics, textiles, shipbuilding and shipping, and in many others.

Like another island country on the other side of the world—Great Britain—Japan must be an importer of food and raw materials and an exporter of processed goods.

It cannot survive as a major economic power without a huge and growing international trade.

Its basic economic policy, therefore, has to be built upon the desire to ease trade conditions and keep its industries competitive in world markets.

Strong elements in the Japanese political and business worlds are acutely aware of this, want to keep pushing for greater business integration with the rest of the free world.

Providing this objective is consistently pursued, and sympathetically viewed by other main traders, it seems logical to agree with predictions in Japan that:

- **Japanese international trade** will triple in the next 20 years.
- **The annual increase in national product** over the long term will average close to 6%.
- **Price stability** will continue.

Two important trading questions are unanswered:

How big will trade become with Russia? It's already substantial. Japan and Russia are logical trading partners, Russia largely as a source of raw materials.

What happens to the commercial impasse with Red China? The Chinese mainland is a natural market for Japanese manufactures, a natural supplier of raw materials.

These questions can't be answered with any certainty, if only because of the Communist tendency to alter the flow of trade to suit political purposes.

This is especially true of Red China, acutely aware of Japan's proximity as a strong industrial nation closely tied (in spite of the riots) to the U. S.

When and how Red China-Japanese trade will revive is unknown.

Whatever eventually happens to Japanese trading relations with Communist nations will be relevant to its business with other countries.

In spite of these and other question-marks, business and government people are optimistic.

The Japanese people are confident of their future. Factory workers appear to have a genuine drive to improve productivity and therefore wages.

This makes for a vigorous, restless, changing — sometimes confused—nation, with great market and investment opportunities.

Japan Needs Machine Tools

Japan is a big importer of machine tools, even though it is investing $90 million a year to add to its own capacity to produce them.

Demand for machine tools is brisk, a reflection of the great expansion of Japanese production in almost all major industries.

Domestic machine tool output was worth about $65 million in 1959, moderately higher than in 1958, while imports worth some $30 million were down about 22%. This remains one of the major Japanese markets for imported fully manufactured goods.

The industry is hard at work in an attempt both to cut costs and raise exports, which are comparatively small.

Conscious of the great potential demand for machine tools in the undeveloped areas of Southeast Asia, the Japanese Machine Tool Industry Association earlier this year selected an export mission to survey far eastern and middle eastern markets.

At the same time, the order backlog had climbed to a hefty $34 million, about 50% above the previous record high.

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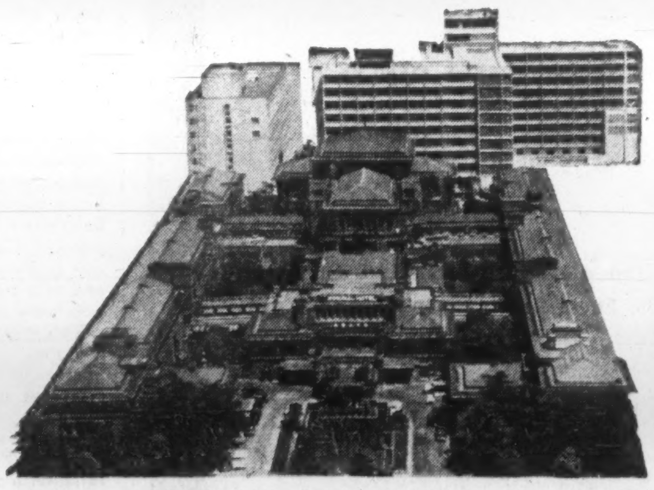

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'Greater Total Trade'

By WILLIAM F. BULL
Canadian Ambassador to Japan

It is a pleasure to extend congratulations to The Financial Post on the Japan issue for 1960 and greetings to its many readers throughout Canada.

To all of them, in one way or another, the state of Canadian-Japanese trade is a matter of considerable importance.

The articles and photographs published in this special issue describing and illustrating numerous phases of the agricultural, industrial and commercial development of this country offer ample evidence that the Japanese economy is buoyant and expanding.

W. F. BULL

Preliminary accounts covering economic activities for the fiscal year ended March 31, 1960, show amazing growth and stability; mining and manufacturing production increased 29% over fiscal 1958; the productivity of manufacturing industries rose 13%; employment was up by 13%; exports increased by $590 million (21%) and imports by $550 million (22%).

Foreign currency reserves April 1 stood at $1,360 million which was $360 million or 39% more than a year previously.

The high level of business activity reflected by these statistics shows promise of continuing throughout 1960 and, given a satisfactory solution to the current political crisis, there is every indication that the first year of this new decade will see the establishment of new records.

Against this background, the immediate outlook for Canada - Japan trade is bright.

In 1959, Canada was outranked only by the U. S., Australia and Malaya as a supplier of Japan's requirements and by the U. S., Liberia and Hong Kong as a market for Japanese exports.

Last year, Canadian exports to Japan at $140 million were the highest ever, while our imports from this country soared from $70 million in 1958 to $103 million.

Such a sharp increase inevitably caused some disruption in certain sensitive areas of the Canadian economy.

It is, however, a source of considerable satisfaction that the responsible officials in both countries were able, after consultations, to reach agreement on measures aimed at the avoidance of such disturbances in the future.

An ever greater total trade between our two countries may be anticipated and it is obviously in our best mutual interests that its development should be orderly.

With special issues such as these, the Financial Post makes a valuable contribution to our understanding of the great potentialities of our trading partnership with Japan and the problems associated with its growth.

William Frederick Bull was born Dec. 31, 1903, at Weston, Ont.

In 1929 he was appointed to the Department of Trade and Commerce and posted to New York as assistant trade commissioner.

In 1931 he was transferred to Port-of-Spain, Trinidad, as acting trade commissioner, and in 1935 promoted to trade commissioner. A year later he was transferred to Auckland, New Zealand.

In 1941 he was transferred to Ottawa and appointed assistant chief, Export Permit Branch. In 1943, Bull went to Washington as Commercial Attaché. In 1945 he was back in Ottawa as director of the Export Division and chief of the Export Permit Branch. In 1947: director of the Import Allotment Division of the Emergency Import Control Branch. In 1949 he was appointed director, Commodities Branch and in 1950, assistant deputy minister in charge of the Commodities and Controls Divisions.

A year later Bull was promoted to deputy minister.

Monopoly

Is End in Sight?

Japan is wondering whether it should end its long-standing government monopoly of production and sales of tobacco, salt and camphor.

Original reasons for the monopoly — whether as a method of taxation or control of supply — aren't clear-cut.

But government control of tobacco dates from 1904, of camphor from 1903 and of salt from 1905.

The Japan Monopoly Corp. — the controlling agency — has more than 40,000 employees, 17 regional bureaus, 54 sub-bureaus and 516 branches. It has its own hospitals and research institutes, operates 40 tobacco manufacturing plants.

The corporation sold a total of 112,600 million cigarettes worth about $660 million in 1958, representing increases of 5.3% and 6% respectively, from the preceding year.

A further rise in tobacco sales is expected since the number of smokers has been increasing.

Tobacco is being cultivated by some 380,000 authorized growers in Japan. The leaves are bought by the corporation, inspected, sorted into grades and transported to manufacturing plants.

The tobacco planting acreage is decided by the corporation's Tobacco Cultivation Deliberative Council.

Faced with a tendency toward surplus, the corporation, in consideration of the adverse effects reduction of acreage will have on the nation's farming economy, is adopting a policy of reducing tobacco land in gradual stages.

Salt is produced by the corporation's 337 plants and salt fields.

Japan suffered from a serious shortage of salt at the war's end. Output in 1948 was only 293,000 tons which was far from satisfying demand. As a result, Japan had to import 1,227,000 tons that year.

The Cabinet decided in 1950 at least to meet the demand for table salt solely by domestic production and keep down import as much as possible. Measures to increase salt production were adopted and as a result, some 869,000 tons were produced in 1957.

This was boosted to 1,085,000 tons in 1958, gradually approaching the estimated 1,100,000 tons of table salt demand.

Volume of salt imported is increasing considerably, parallel with great development in the soda and other affiliated industries. Salt imported in 1958 totaled 1,755,000 tons.

Price of imported salt is much lower than that of the domestic product.

Natural camphor was one of Japan's important export items before synthetic camphor was invented.

'We Seek Better Balance Of Our Mutual Trade'

By TORU HAGIWARA
Japanese Ambassador to Canada

Japan at present and in the near future has to depend heavily upon trade with North America and other industrialized countries. This is quite clear from our trade figures which show that of Japan's total exports of about $3.5 billion in 1959, 33% was to the North American market and 11% to the West European market.

However, it is interesting to note that Japan's share of Canada's total imports in 1959 is only 1.8%, while her share of U. S. total imports is 6.8%.

Trade between Canada and Japan has developed very satisfactorily and steadily during recent years, especially since the conclusion of the Trade Agreement between the two countries in 1954.

TORU HAGIWARA

Nevertheless, Canadian exports to Japan have always exceeded Japanese exports to Canada, and the cumulative total of imbalance in the past 10 years reaches a figure of over $600 million.

Of course, in the case of the U. S., the cumulative total of imbalance is much larger in figure, but unlike the imbalance with Canada, this was mostly offset by the United States Military and Economic Aid, Off-Shore Command, etc.

As I mentioned in the special edition of The Financial Post on Japan last year, however, it is the constant policy of my government to seek a better balance of our mutual trade, not by restricting our import from Canada, but by increasing our exports to this country.

Japan now ranks as the best customer for Canadian wheat—surpassed only by the U. K.

Pulp, iron ore, coal and other mineral products are also important items among our imports from Canada.

Our imports from Canada will continue to increase steadily in future as they have in the past, and Canada will very likely benefit from our import liberalization program.

Improvement in our foreign exchange position has enabled us to adopt this program, which the Japanese government has pledged to pursue in coming years.

On our export side, Canada, as a free-trading country with vast natural resources and a very big purchasing power, is a potentially very important trading partner for Japan, whose economic future depends entirely on foreign trade.

I am confident that competition is in itself a healthy thing, provided it is not too excessive or unfair.

Of course I am well aware that some of our exports are bringing about added competition to Canadian domestic industries, and that grievances are being voiced by them in certain cases.

Therefore, the Japanese government is trying to secure an orderly marketing for so-called sensitive items by such steps as, for example, the export quota system as applied for textile goods, plywood, etc.

In most cases these export quotas are voluntary controls and so far are quite satisfactory for both Canada and Japan.

Problems may arise from time to time in future between our two countries.

We believe, in Japan as in Canada, in the free enterprise and free trade system. Unlike Communist countries, the State does not itself carry out trade nor try totally to control it.

The government may exercise certain regulatory actions by customs tariffs, etc., but only when it is felt absolutely necessary to do so.

Business circles in Japan are welcoming the trade liberalization program of the government which means less intervention of the government in imports; and they are always reluctant to accept government intervention in the matter of exports.

It is not always easy for the Japanese government to influence and persuade such businessmen to restrict their export trade. It is also not easy to decide what would be an adequate figure for the quota of a particular export to a particular country.

I am firmly convinced, however, that there are no problems which cannot be solved if there is on both sides mutual understanding, willingness for frank consultation and for compromise — and perhaps some patience.

This is why I feel that the prospects of economic relations of our two countries are very bright.

At 54 a veteran of the diplomatic service, Toru Hagiwara since 1957 has been Japan's ambassador extraordinary and plenipotentiary to Canada.

He was born in Tokyo in 1906, graduated from the faculty of law at Tokyo Imperial University and went into the service in 1928. In 1929 he was an attache at the embassy in Paris, in 1935 third secretary at the embassy in China, in 1939 second secretary in The Netherlands.

From 1940 to 1946 Hagiwara served as chief of several sections of the Ministry of Foreign Affairs, then became director of the Treaties Bureau. He was back in Paris in 1950 as chief of the Japanese Government Overseas Agency. Then, successively: Minister plenipotentiary to France, envoy extraordinary and minister plenipotentiary to Switzerland, ambassador extraordinary and plenipotentiary to Switzerland and, finally, the Canadian post.

Representing Japan at two United Nations sessions, he was chairman of the second committee of the UN 13th general assembly in 1958.

With three languages (Japanese, French, English), he has also represented his nation at five sessions of the General Conference of UNESCO and held a number of executive posts in that organization.

Hagiwara has participated in several GATT sessions and in a number of other international gatherings.

World's Top Plywood Supplier

Japan has become the world's largest international supplier of plywood.

Many a Canadian has used Japanese plywood and many more undoubtedly will, even though "voluntary" quotas have been agreed upon by Japan.

Shipments to Canada this year are to be held to 53.2 million sq. ft., slightly larger than shipments in each of the last two years.

The Japanese hope for increases in the quota in future years.

Expansion of the Japanese industry probably will be governed almost indefinitely by quotas since producers also must guard against "uncontrolled" sales in the U. S.

However their share of the U. S. market was more than 60% last year, with shipments topping 800 million sq. ft. This quantity is three quarters of Japan's total exports which were worth $76 million last year.

All exports are about one third of total production, which is at a rate of more than 3,000 million sq. ft. annually.

Japan's biggest producer (about 8% to 10% of the total) is an expanding Nagoya firm, **Toyo Plywood Manufacturing Co.** It sends more than half its production into export markets, told **FP** the industry's future is good if it refrains from "saturating" markets and is able to win flexible export quotas allowing expansion of sales. Competition from The Philippines and Formosa is a worry.

There is some concern also at the variations in demand in the U. S. market, at periodic increases in U. S. protectionist sentiment and with rising log costs. But profits have been good and the company is hopeful.

Japanese makers are producing a variety of plywood, using lauan and other imported lumber as well as many domestic woods such as sandal wood, shina, birch, oak, beech and tamo. But, nearly 80% of export plywood is made of lauan.

Japan Now Aids Asia

Japan—so recently in need of outside help herself — now is aiding in the development of Southeast Asia.

Probably the best example of this trend came in 1958, when India was provided with a capital goods credit of $50 million over a three-year period.

The result for India has been an increased supply of Japanese rail equipment, generators, industrial machinery, ships.

The two nations have signed a tax agreement. Japan has become an important developer and customer for Indian iron ore.

In addition there have been a number of agreements involving private Japanese capital.

A Japanese watch company is setting up a factory in India and training Indians to run it. A clock company is doing much the same. Other deals may involve Indian output of cameras, transistor radios and TV sets.

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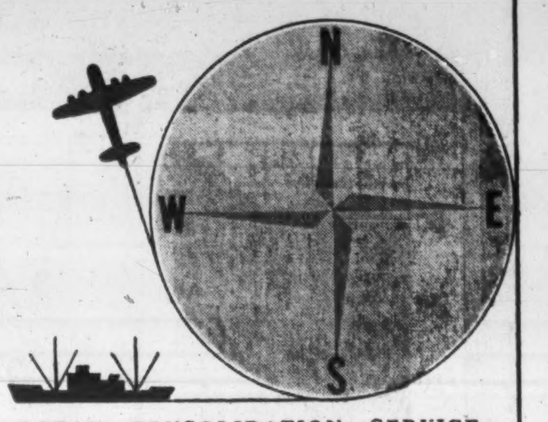

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'Business Climate Steady and Stable'

By J. L. MUTTER
Canadian Commercial Counsellor, Tokyo

While the corporate survey recently published by Japan's Economic Planning Board suggests that the second half of 1960 may see a levelling-off or even a slight decline in economic activity, general opinion rates the Japanese business climate now and for the near future as "steady and stable".

Japan's exports for the first half of 1960 reached a record total of $1,824 million, 19.6% higher than for January-June 1959.

Imports at $2,243 million were up 29.1%, but are showing a downward trend as the index of inventories of imported raw materials rises and that of mining and

J. L. MUTTER

manufacturing production continues to level off.

This movement set in in March and is expected to continue, due to the effects of the developing trade-liberalization program, low commodity prices and over-production in some industrial sectors.

There has been some concern over the fact that exports to the U. S., Japan's principal market, after exceeding imports from that country for 14 consecutive months, were suddenly overtaken in April by imports.

In some quarters, fears have been expressed that the effect of the recent political disturbances on Japan-U. S. relations could accentuate this adverse trend, but this **view does not appear to be** too widely held.

The movement toward the liberalization of trade and foreign exchange regulations sparked by the 15th session of GATT held in Tokyo last November has made some progress.

Prior to the formation of a new Japanese cabinet, a plan was announced to provide for a total liberalization of 80% to 90% of Japan's imports within the next three years.

The Finance Ministry announced on July 7 that foreign currency reserves as of the end of June amounted to $1,451 million, a post-war record high.

Total merchandise trade between Canada and Japan in 1959, amounting to $242.6 million, established a record.

Canadian exports to this valuable market rose $35 million above those of 1958 to $139 million.

As few as 15 commodities accounted for $125 million or 90% of this total.

Wheat shipments alone were valued at $69 million. Other leading items were oil seeds, wood pulp, asbestos fibre, aluminum ingot, iron ore and coal.

Japanese exports to Canada advanced by $30 million to $102.8 million, and this 46% rise was undoubtedly the outstanding feature of the year's operations.

It took place despite the fact that licensing for export to Canada of spun rayon textile products was suspended for over two months by the Japanese Ministry of International Trade and Industry.

While commodities in the textile category not previously subject to voluntary export control were largely responsible for this unprecedented increase, shipments of other products such as radios, rubber footwear, oil country steel goods and plywood contributed substantially to it.

Radios, for example, shot up from $1.8 million to $5 million and rubber footwear shipments at $2.4 million were more than twice as great as in 1958.

Inevitably, this dramatic upsurge caused some disruption in ceretain sectors of the Canadian market. This has engaged the attention of responsible officials of both governments for the past several months.

A long series of consultations between them has recently produced agreement on a number of measures aimed at the prevention of such disturbances in future.

Preliminary figures for the first few months of this year show that our exports to each other are running at a higher level than ever.

Canadian exports to Japan during January - May are about $23 million greater than in the same period last year, while shipments from Japan to Canada for the first quarter are $4 million ahead of last year.

Clearly the trading partnership holds great promise for both the Japanese and ourselves and it is all the more important to ensure the evenly-paced expansion of the growing market each country offers to the other.

James Lindsay Mutter was born in Edinburgh, Scotland, came to Canada at an early age and was educated at the Brantford and Hamilton Collegiate Institutes.

He graduated from Queen's University with the degrees of B.A. (Economics and History, 1927) and B. Comm. (1928).

His business experience included five years with the Corporation of the County of Wentworth, Ont.

Mutter's career with trade and commerce department:

1928—Appointed junior trade commissioner.

1929—Posted to Cape Town as assistant trade commissioner.

1935 — To Johannesburg as trade commissioner.

1939 — To Singapore as trade commissioner.

1942—To Havana as commercial secretary.

1946 — To Santiago, Chile, as commercial secretary.

1948—To Glasgow as trade commissioner.

1951—Closed Glasgow office, transferred to Oslo as commercial secretary.

1953 — Promoted to commercial counsellor.

1956 — To Tokyo as Commercial Counsellor.

Radios Wave Problems

Japan's electronics industry has played a major part in raising Japanese living standards. At the same time, it has created international trade problems. Last year Canada imported almost 400,000 Japanese radios.

The electronics industry is one of the most spectacular stars in Japan's economic firmament.

It has:

- **Helped make it possible** for Japanese to own increasing numbers of radios, TV sets and other electronic items.
- **Raised living standards** for its many employees.
- **Turned in an amazing performance** in world export markets, including Canada.
- **And, as a result,** figured in major trade negotiations resulting from overseas (including Canadian) complaints that Japanese-produced items are harming domestic industry. These are producing limitations on expansion of Japanese exports.

There's no denying the efficiency and the record of expansion of the industry.

"We produced 800,000 transistor radios last year," **Sony Corp.** reports, "and we may turn out a million this year."

Sony is one of the hottest performers in the field. Its name has become almost a byword in Canada, where it has made a big market splash exporting through **General Distributors Ltd.** of Winnipeg.

Spending large sums on research and development, Sony has been able to capitalize on new products. Sony says it has 500 graduate engineers on staff.

It didn't start exporting until the mid-1950's, now has annual sales of about $30 million, roughly 40% in exports.

Among newer products for which it sees the possibility of important international markets are a transistorized TV set and the Esaki diode, which it has begun marketing in Japan and North America.

The diode works like a faster, cheaper transistor, is not affected by temperature and radiation and can be used in computers and a wide range of electronic equipment.

Sony's enterprise and ambition is typical of many Japanese electronics firms.

These qualities last year resulted in total production worth $975 million. This was a whopping 80% higher than the year before, which in turn had registered a 30% jump from 1957.

Japanese output of TV sets in 1959 was almost four times the 1957 figure, measured by value. Value of radio sets rose almost 150% from 1957 to 1959.

Japan is beginning to make an impression with its tape recorders. It turned out 232,000 units last year and expects roughly to triple that figure in 1965.

Even greater growth is expected for electronic microscopes and electronic computers. Output of tubes may not expand much in the next five years.

These, of course, are government estimates. Some industry circles tend to be a little more optimistic, predicting larger increases over the next half-decade.

Makers of heavy electrical machinery also have enjoyed a boom.

The three big makers of heavy electrical machinery—**Hitachi, Toshiba, Mitsubishi** — have, in combination, tripled sales in the past three years and expect further increases.

Possibly the industry's greatest problem is in the area of its greatest triumph — international trade.

Take transistor radios as an example.

Last year Japan exported about 6,150,000 transistor radios, up from a few hundred thousand two years earlier.

Much the biggest market was the U. S., with Canada second.

Actually Canada has been taking more Japanese transistor radios per thousand of population than the U. S., according to recent figures. Last year we imported almost 400,000 Japanese radios — almost all transistor sets.

All this causes unrest among North America producers.

In mid-May Japan banned the export of transistor radios to Canada and the U. S., pending the working out of export quotas.

This has now been done and exports resumed under quota. The quota apparently is based on 1959 shipments, allowing for a modest increase.

The Electrical Boom

Value of production: index

	1954	1955	1956	1957	1958
All industry	93.0	100	123.3	143.3	144.8
Mining	92.9	100	122.4	144.5	145.5
Manufacturing	92.4	100	123.5	146.4	147.8
Machinery	98.8	100	145.2	202.1	218.1
Electrical machinery	**89.9**	**100**	**152.3**	**218.4**	**268.3**
Electronics	**87.0**	**100**	**166.0**	**249.0**	**325.0**

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Stock Exchange

Sees More Foreign Investment

No stock market in the world approaches Tokyo in volume. On Dec. 2, 1959, for instance, there was a huge turnover of 188 million shares.

Last year's trading was $10 billion . . . five times that of Toronto exchange ($1,860 million).

Although foreign ownership of shares remains a small percentage of the total, more investment houses, especially U.S., have been jumping on the market bandwagon.

And if the rapid economic and export-import growth continues, Japan expects to attract far more foreign investment.

Tokyo's well - developed, free-wheeling stock market is drawing a lot of international attention.

This year its sensational rise came to at least a temporary halt. The Tokyo Dow-Jones index rose from around 500 early in 1958 to a peak of more than 1,100 on May 7 this year.

An increasing number of foreigners joined gleefully in the spree, based on the fast expansion and seemingly bright future of Japanese industry.

Grave international developments combined with political dissension in Japan put a lid on the rise during May. The U-2 incident, the collapse of the Summit Conference, the riots which eventually displaced the prime minister, all contributed to a fast drop which hit 967 June 2.

Then the average moved over 1000, generating feeling that the worst was over.

Through it all, Japanese industrial efficiency seems to have maintained its uptrend and foreign interest continues. A number of overseas investment houses — largely in the U.S. — have done serious studies of possibilities for common stock investment in Japan. Japanese investment houses have opened offices in the U.S.

No stock exchange in the world approaches Tokyo in volume.

On one amazing day—Dec. 2, 1959—there was a turnover of 188 million shares.

Japanese stocks are low-priced. Most are available for under $3, many for pennies.

The result: Almost anyone can buy stocks—and millions do. About 9.5 million Japanese individuals or companies own shares.

All this has happened in a few years.

Under U.S. guidance after the last war, the large family-owned industrial groups were split. It became common to offer stock publicly at very low prices.

Trading on the Japanese exchanges began to mushroom, with Tokyo dominating.

The daily average of shares traded in Tokyo rose from under two million in 1950 to 22 million in 1956 and 71 million in 1959. So far in 1960 it has been higher still.

The total value of trades in 1959 was more than $10,000 million. (In contrast, value of trading on the New York exchange was $43,500 million, Toronto $1,860 million.)

Foreign ownership of shares remains a small percentage of the total.

A compilation in early 1959 showed foreigners owning 123 million shares in Japanese companies or 0.5% of the total listed on all exchanges. Foreign corporations owned another 202 million or 0.9%.

Japanese individuals had 11,000 million (49%), financial institutions 6,500 million (29%), securities dealers 1,000 million (4.4%), other corporations 3,800 million (16.7%).

Included in the figure for financial institutions are 1,500 million shares (6.6%) owned by investment trusts.

These are relative newcomers which almost immediately became popular in Japan.

It was in the early 50s that the investment trust boom began.

With enactment of the Securities Investment Trust Law, securities companies embarked on operation of so-called unit type trusts.

Then, in 1952, the open-end type trust was instituted by one securities firm, followed by four more in 1958.

In the unit type, a number of units are established and subscriptions sought from investors each time a trust fund is set up. In contrast, the open-end type takes the form of the North American mutual fund.

The trust or management period for the unit type is five years, but that for the open-end is unlimited.

Both are of the contractual trust type; beneficial certificates are sold and may be repurchased at any time. In this way, they are similar to the English unit trust.

Some 14 securities companies, including the four major dealers, are sponsors of trusts.

The investment trusts have grown phenomenally, with the expansion of the economy.

By January, 1960, outstanding principal of the unit and open-end types of investment trust totaled $975 million, while net assets amounted to $1,200 million.

Recently 10 companies were still operating investment trusts as part of their regular stock brokerage business, but from April, 1960, the "Big Four" dealers put trusts on a separate basis, with their own management and sales organizations.

With growth of investment in common stocks has gone a rapid expansion of the brokerage firms.

In the big board rooms customers can sit in comfortable upholstered chairs to watch prices clicking on electronic boards listing dozens of stocks. Teletype links scores of branch offices, automated computing departments buzz with thousands of transactions.

One of the big firms, Nomura Securities Co., has more than 4,000 employees, almost 100 offices and in a recent 12-month period had transactions for 11,100 million shares worth almost $5,000 million.

Nomura welcomes the tendency for Japan to relax its controls on foreign investment and foreign exchange.

This should bring in additional money, may also alter certain practices now common in Japan. One possibility would be the issuing of convertible debentures. Another would be issuing new stock at prices higher than par. Neither are common in Japan today.

It is the present custom to have frequent rights offerings at par, which is often far below market.

In many cases, the dividend will be maintained on the capital, which may have been enlarged by as much as 50% or 100%. **In some cases rights offerings are made below par. This in effect is a combination of a rights offering at par and a capitalization of surplus,** which in North American terminology is close to a stock dividend.

Common share dividends, on average, probably range between 10%-15% on the par value and are paid from after-tax earnings.

A large well - managed sound company may have to pay about 8% on short-term bank loans while longer term borrowings, normally a bond of seven years maturity, carry a coupon of around 9%.

Commercial banks often hold considerable equity interests in Japanese companies for their own investment accounts. These banks will make loans to the companies in which they have interests.

Where a bank is a member of a group of companies having overlapping ownership, high interest charges won't necessarily have the effect of sending the borrowers looking for lower rates, as is often assumed.

They are likely to continue borrowing from the bank with which they are closely connected.

Of course, this is not true of all companies. An increasing number are looking abroad for lower interest rates. And it's generally agreed that Japan needs more foreign capital.

The man in the driver's seat of the fast-moving investment vehicle is youthful Hiroshi Tanimura, councilor in charge of securities administration for the Japanese ministry of finance.

Tanimura is acutely conscious of the rapid change which is transforming the investment community and its practices. His complex job is to preserve the benefits of change and winnow out its evils.

He foresees increased use of stock issues to raise money. Public bond issues—not particularly common now—probably also will gain. The amount of private borrowing is likely to decline as a percentage.

"Government administrators," he says, "are responsible for helping to maintain an atmosphere in stock exchanges where neither speculative nor favor-influenced transactions are easily bred."

Thus while the nine stock exchanges control trading, margin requirements and efforts to prevent unrealistic price movements, the government can step in if it feels additional control is necessary.

Until this year's May slump, the main effort was simply to keep the rapid rise in stocks as orderly as possible.

Recent international and domestic problems may now have begun a period in which the market will consolidate its gains, attract greater foreign investment and await confirmation of predictions that Japan's very rapid economic and export-import growth can continue for at least another decade.

Farming Problem; Too Many Farmers

Why does Japan buy Canadian wheat ($69.1 million last year) instead of growing its own? It's a question of small farms, not adaptable to mechanization.

They must produce as much food as possible on every square foot, and employ as many people as possible, chiefly among the owner's family.

A few statistics tell the story of Japan's farm area problem:

- **There are only 2.5 acres** of farmland per farmer.
- **In a nation the size of Newfoundland, more than 30 million people** must live on the land.

The result: Each farm is small—infinitesimal by Canadian standards—and there is much resistance to the idea of large-scale, highly mechanized farming which would multiply productivity per man.

Since there are no new farmlands to open, this would simply mean many fewer people on the land. And, although Japanese manufacturing and service industries are expanding very rapidly, they could not absorb millions of displaced rural people.

"Where would our people go?" is the common question to the foreigner who blandly recommends high-productivity farming.

It's a tough one to answer.

In fact, for the short and medium term, it has no satisfactory answer.

In the long run, it is hoped to stabilize population, mechanize the farms and divert a greater percentage of the population into non-farm occupations.

Meanwhile, Japanese agriculture is going to continue as a high-manpower, low-income operation.

Total output has been rising moderately to help meet huge domestic demand for food, which also calls for large imports.

The farm production index is up from 117 in 1956 to 132 last year. Among main crops, rice rose from 110 to 126, wheat and barley changed little, vegetables rose from 110 to 121, fruits from 168 to 194, livestock and livestock products from 178 to 225, milk from 250 to 373. The 1950 - 52 period represents 100.

Thus Japan is tending to follow the example of most of the world's heavily industrialized areas—the intensive production of meat and dairy products is gaining, comparatively, on grains.

As might be expected, farm income per person on farms is lower than non-farm (about 60% less), nor is it rising as rapidly as the average in, say, manufacturing.

In this situation, Japan finds — with many of the world's major industrial nations—that it is almost compelled to do three things:

- **Protect high-cost domestic farmers** in a variety of ways.
- **Try to increase their efficiency.**
- **Import large,** but controlled, quantities of food.

In recent years Japanese imports of foodstuffs have averaged more than $600 million annually. Wheat, sugar, rice and barley have been big imports. Canada has been a consistently big supplier of wheat to Japan.

In the future, Japanese demand for food almost certainly will climb. Its own ability to produce also will rise. The unanswered question is whether the gap — supplied by imports—will widen or narrow.

Wheat provides an interesting example of the Japanese approach to their farm problem.

During 1960 and 1961, about 900 cities, towns and villages will be designated as "wheat production improvement villages".

These will be equipped with facilities and machinery for the purpose of greater production with less labor, adopting improved techniques as demonstrated in a pilot project.

Depending on results, the strengthening of these projects will be reconsidered for 1962 and thereafter.

The harvest per acre 10 years from now under the rationalization of wheat production is expected to reveal a 12% increase for wheat, 14% for barley and 16% for naked barley. Total production should disclose a 7% increase for wheat, 3% decrease for barley and 4% decrease for naked barley.

In 1960, the first wheat growing competition will be undertaken to further promote improved practices by the farmers. The aim is to encourage farmers to improve productive skills, promote and popularize improved wheat growing.

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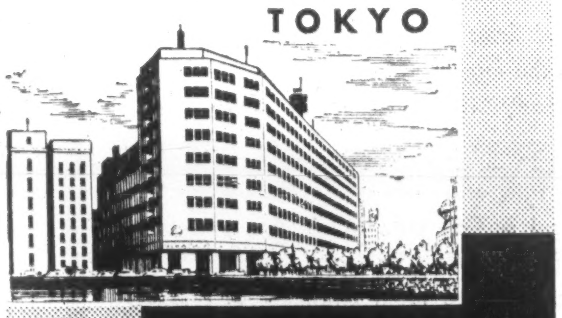

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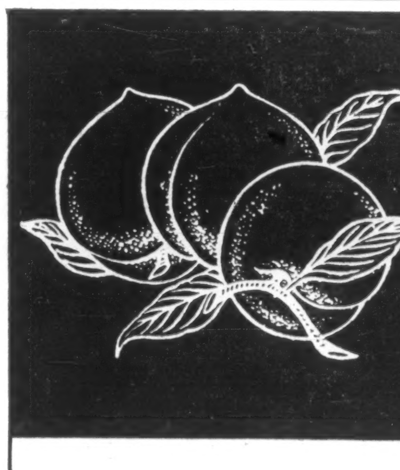

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Foreign Capital

No Flood of Overseas Money

Easing of Japan's restrictions of inflow of capital may step up foreign investment but the limitations are still tough enough to discourage a flood of foreign money. Here is a rundown on current regulations.

Will Japan's relaxation of its fairly tough restrictions on the inflow of capital bring foreign money pouring into that busy island nation?

Among Japanese business and government experts, there is disagreement on the answer to that question.

Few foresee a flood of capital from overseas.

Some, however, think the flow will become much more rapid. Foreign currency received last year through purchase of stocks by foreigners, plus loans, was a modest $107 million. (Canada last year imported a net $662 million through new issues alone.)

Many other observers feel that the lessened restrictions are still tough enough to ensure that any increase in capital inflow is quite small.

There is no doubt of the great interest of foreign investors in Japan. Touring teams of top U. S. business and investment executives now frequently visit Japan. All seem greatly impressed with the efficiency and profit potential of Japanese industry.

But some have expressed misgiving about the continuing inability of foreign investors to own very large shares of Japanese industry. (There are specified exceptions to this. For instance Canada's **Aluminium Ltd.** owns 50% of **Nippon Light Metal**, major Japanese aluminum firm.)

They don't criticize the Japanese desire to keep ownership control of their own industries. But they suspect foreign investors will want the chance of increased ownership before they invest substantially.

There has been frequent suggestion that foreign investment would be much attracted by convertible debenture issues.

However, many Japanese leaders feel convertibles should not be issued on a large scale.

Convertibles are foreign to Japanese practice and it's felt they might be disliked by the Japanese owners of common stocks into which such issues would be converted.

Nevertheless, one astute observer told **FP** he felt foreign investment would increase steadily, eventually becoming very large. Financing in Japan, he felt, would be partially adapted to the needs of foreign investors.

A major difficulty is that of remittance of money.

In the past if the foreign investor in stocks wished to get back his principal, he usually had to wait for two years and then take it in installments over the following five.

This year, the installment period has been shortened to three years.

This year's relaxation of restrictions on entry of foreign capital may be followed by similar steps in the future. Further developments will depend upon reactions of investors and Japanese businessmen to the changed situation.

Briefly, here are further details of the new measures governing foreign capital. They were effective June 1.

- **Stocks:**

Foreign investors may now acquire, in total, up to 15% of the stock of companies in "non - restricted" industries and 10% in "restricted" industries. These are increases from 5% and 8%.

(In restricted industries, stocks are available to foreign investors only under certain specified circumstances. In this group are the gas, electric power and aircraft industries.)

The government has said it will consider further easing the limitation on remittance of principal to stock investors abroad.

- **Loans:**

Those loans less than $100,000 per case will be readily approved by the **Bank of Japan** alone, provided that interest rates can be regarded as "appropriate" to the standard of the open market interest rate in the lender country, and the period of loan is more than three years.

The exception here is loans to business in connection with "mere luxuries".

- **Debentures and beneficiary certificates of a loan trust:**

With regard to acquisition of up to $10,000 per case, validation or approval under the Foreign Investment Law or the Foreign Exchange and Trade Control Law, respectively, will be given by the Bank of Japan alone.

The principal may be remitted wholly after five years from date of acquisition.

- **Beneficiary certificates of securities investment trust:**

These certificates (up to $10,000 per case) will be obtained through validation or approval — under either of the related two laws — by the Bank of Japan alone.

Remittance of principal of these certificates is treated in the same manner as in stocks.

- **Technological assistance contracts:**

Standards of validation will be either eased or simplified in the future. (To the end of 1959, there were 979 cases of technical assistance from abroad.)

Import Exchange Growth

Here is the Japanese government's foreign exchange budget for imports—how it has grown and altered in character since 1956. FA indicates exchange allocation for imports on a case-by-case basis. AA signifies automatic approval within the overall total—a more liberal, and expanding, classification.

Fiscal Year	Term (half year)	Original Budget ($000,000) FA	AA	Reserve	Total	Final Revised Budget ($000,000) FA	AA	Reserve	Total
1956—57	1st	1,263	230	50	1,543	1,414	352	..	1,766
	2nd	1,315	390	210	1,915	1,970	513	..	2,483
1957—58	1st	1,589	497	150	2,236	1,589	497	80	2,236
	2nd	1,242	330	80	1,652	1,242	330	150	1,652
1958—59	1st	1,148	330	150	1,628	1,148	380	150	1,628
	2nd	1,157	400	200	1,757	1,161	470	125	1,757
1959—60	1st	1,161	580	200	1,941	1,217	630	94	1,941
	2nd	1,458	670	200	2,328	1,580	700	48	2,328
1960—61	1st	1,454	970	200	2,624	....	..	..	....

Source:—Ministry of Finance

'Mutual Understanding' Basis of Sound Trade

By MITSUJIRO ISHII
Minister of International Trade and Industry

I am most happy to have this opportunity to send my sincere greetings to the people of Canada through this Special Supplement to The Financial Post.

Trade between Japan and Canada has registered a steady growth since the conclusion of the agreement on commerce between our two countries in 1954, and the total amount of our transactions both ways exceeded $200 million in fiscal 1959.

Trade between our countries is contributing much to the welfare and prosperity of both our peoples.

For instance, the recent purchase by Japan of Canadian coal has resulted in an increase in employment in Canada by several hundred jobs, and I am fully aware of the fact that the Japanese purchase of Canadian wheat has had direct effects upon the agricultural economy of the three Prairie Provinces of Canada.

I am sure the people of Canada recognize that in this way the economies of our two countries are bound together by close ties of trade.

However, the recent drastic increase in the trade volume between both nations produced keen competition in Canada between certain Japanese and Canadian products, and as a result, Japan has had to adopt voluntary quotas on her exports to Canada of such vital commodities as textiles and sundry goods.

For the smooth expansion of trade between the two countries, orderly marketing is necessary, and Japan is making efforts to avoid causing disruption in the economy of importing countries.

I earnestly hope that Canada on her part will deal with any possible difficulties with tolerance and in a spirit of compromise, since the principles of international division of labor and interdependence are at all times essential to the development of world trade.

Mutual understanding among nations is the basis for the promotion of international co-operation and interchanges in all fields of activity.

I am confident that this project of The Financial Post will increase mutual understanding between Japan and Canada and will contribute to the expansion of trade and to the furtherance of cultural exchanges between our two countries.

Introduce Free Yen

The Japanese government is introducing a system under which nonresident foreigners are permitted to open free yen accounts with Japanese foreign exchange banks.

Reason for the exchange liberalization move:

To allow the yen to be used as a means of carrying on foreign transactions.

Until now, such deals have been made in terms of specified foreign currencies, including the Canadian dollar.

The **Bank of Tokyo** Weekly Review comments:

"Under the free yen account system, foreigners are allowed freely to exchange any part of their yen balance for any one of the convertible currencies at the current rate of exchange or the previously contracted exchange rate.

"This means that Japanese yen convertibility is partially restored.

"The government will permit foreigners to transfer part of the existing nonresident yen balance to free yen accounts within a certain specified period, if exchange banks confirm that part of the balance is of a nature similar to the free yen."

Cement Output Up 15%

Japan is a major exporter of both cement and cement plants.

This is natural because of its position as a highly industrialized nation adjacent to the huge undeveloped area of Southeast Asia, which needs cement and the capital goods with which to produce it.

But the basic fact which underlies the quick expansion of the Japanese cement industry is Japan's own rapid growth.

Large annual construction programs call for a lot of cement. Production last year was more than 17 million tons or 15% higher than in 1958.

In 1953: 8.7 million tons.

Exports in 1958 ran at about 10% of total output. Traditional markets include Korea, the Ryukyu Islands, Hong Kong, Malaya and Singapore, Indonesia and the Indo China region.

Unlike many other Japanese industries, cement isn't based on imported raw materials. Both limestone and suitable coal are available in large quantity in Japan.

Trade Representatives Canada—Japan

CANADIAN

Tokyo: J. L. Mutter, commercial counsellor, Canadian Embassy.
R. G. Woolham, assistant commercial secretary, Canadian Embassy.
Norman W. Boyd, assistant commercial secretary, Canadian Embassy.

JAPANESE

Ottawa: Kensaku Maeda, counsellor, Embassy of Japan.
Eme Yamasita, first secretary, Embassy of Japan.
Yoshihide Uchimura, second secretary, Embassy of Japan.

Toronto: Eijiro Fujise, Japan Export Trade Promotion Agency (JETRO), Japan Trade Centre, 83 Yonge St.
Toshinobu Uada, vice-consul, Consulate of Japan, 44 Victoria St.

Montreal Y. Tachibana, JETRO representative, 4635 Clanranald St.

Note: It's expected Japan will establish a consulate-general at Montreal next year. It hasn't yet been announced whether there will be a commercial representative in the new office.

EIJIRO FUJISE

Eijiro Fujise, 60, has been executive director of the Japan Trade Centre in Toronto for the past two years.

An arm of the Japan Export Trade Promotion Agency, the Trade Centre handles 2,500 trade inquiries annually. In the four years since it was opened, it has participated in some 30 exhibitions in Canada.

Mr. Fujise brought to his post the experience of 35 years' background in textiles, chemicals and machinery. Upon graduation from Tokyo University of Commerce in 1923, he began a career that included appointments in Bombay, Dallas, New York and China.

On accepting his Toronto appointment, Mr. Fujise relinquished the presidencies of Fuji Machinery Co. and Japan Titanium, and the vice-presidency of Nisso Manufacturing Co. (chemicals).

ICHIRO KATAKAMI

Ichiro Katakami, 42, has been Japanese consul at Toronto since 1959. Most of his career, since graduating in law from Tokyo University in 1941, has been spent in the Japan's foreign service.

From 1952-54, he served as second secretary in Japan's embassy in Germany. Since then, he has held a number of appointments in the Tokyo headquarters of the Ministry of Foreign Affairs.

MUNEO TANABE

Muneo Tanabe, 56, has represented Japan as consul at Vancouver for the past three years.

Mr. Tanabe graduated in law from the University of Tokyo in 1928, and entered the foreign service 10 years later.

His service abroad has included posting as third secretary at the Japanese embassy in Turkey in 1942, and first secretary at the embassy in Ceylon in 1954.

Mr. Tanabe is the author of two books on India.

NOBORO TAKASUGI

Noboru Takasugi, 55, became Japan's consul in Winnipeg last October, following a term as chief of the Japanese government liaison office in Naha, Okinawa.

As a student at Harbin College in Manchuria, Mr. Takasugi specialized in commerce and in the Russian language. Entering the foreign service in 1923, he served at Moscow, Vladivostok and Petropavlosk in the Soviet Union, as well as at Prague.

From 1951 to 1954, he was first secretary at the Japanese embassy in New Delhi, then returned to Tokyo for two years with the Immigration Office.

ROBERT G. WOOLHAM

Mr. Robert G. Woolham, assistant commercial secretary at the Canadian Embassy, Tokyo, was born in Toronto, Ontario, on December 11, 1931, and graduated from the Ontario Agricultural College at Guelph with a B.S.A. degree in 1956.

He joined the Department in 1956 and was assigned to the Consumer Goods Division of the Commodities Branch as a Commodity Officer. In 1957 he joined the Trade Commissioner Service and was posted to Chicago as Vice-Consul and Assistant Trade Commissioner. The following year he was transferred to Tokyo as Assistant Commercial Secretary.

Mr. Woolham is married to Donna Ruth Clapperton and they have one daughter.

NORMAN W. BOYD

Mr. Norman W. Boyd, assistant commercial secretary at the Canadian Embassy in Tokyo since 1959, was born in Russell, Ontario, on October 13, 1932, and graduated from the University of Toronto with a B. Com. degree in 1954.

He joined the Department of Trade and Commerce in 1954 and the following year was posted to Berne, Switzerland, as assistant commercial secretary.

Mr. Boyd is married to Aline Lupis. They have no children.

60 Paintings on Tour

Sixty paintings by the late Tomioka Tessai are on an extended tour of Vancouver, Winnipeg, Regina, Victoria and Ottawa.

The drive to show the works of the great Japanese artist was launched by 86-year-old Bishop Kojo Sakamoto.

The bishop explained that showing the work of his lifelong friend was an extension of his religious activities since the paintings express major tenets of his philosophy — "all men are brothers" and "peace and happiness to all mankind."

Himself an artist and renowned art collector, the bishop was recently awarded the French Legion of Honour for his gift of 20 Tessai scrolls to France.

Masterpieces painted by Tessai (1836-1924) during his innumerable walks through Japan will be on display in the Vancouver Art Gallery until Sept. 15 Subsequent displays will be sponsored by the Winnipeg Art Gallery Association, Sept. 22 to Oct. 16; by Norman Mackenzie Art Gallery at Regina College, Oct. 24 to Nov. 20; by the Art Gallery of Victoria, Nov. 28 to Dec. 22; and by the National Gallery of Canada in Ottawa, Feb. 9 to March 5.

Tokyo's Delta Area Moving

Tokyo's heavily industrialized delta area is sagging — physically, not economically.

Some of the land has subsided more than six feet in the last three decades, is still dropping.

The reason lies in the large quantities of underground water in the Tokyo area. As it is pumped out or disappears in other ways, the land subsides. Some factories now lie below sea level.

The city has another water problem, related to the first. It is in danger of a water shortage. Great efforts are being made to add to supply through purification of sewage and sea water. Until sufficient water is assured, industry can hardly be stopped from pumping out subterranean supplies.

Toronto Board Set For Japan

Early response to the Board of Trade of Metropolitan Toronto's fall tour to Japan, Hong Kong and Hawaii has been good. Many members have already made firm reservations.

The chartered flight will leave Toronto Oct. 21 and return Nov. 6.

Planning is based on a party of approximately 100 which permits favorable cost and other arrangements.

Total cost will be approximately $1,400 each if the 100 passenger objective is reached.

The above figure will include all travel, both main air and other air and land travel, including sightseeing tours; hotel accommodation (first class) and some meals.

The objective is to use the time available to the best advantage without creating a too-strenuous program.

This will include visits to noteworthy places, inspection of important Japanese industries and some entertainment and relaxation.

The tour will be all male. Prior to departure date a combined reception and briefing session is planned. A deposit of $350 is required with a member's application. The balance will be payable by Sept. 15.

M. Tachibana
Managing Director & Gen. Manager

Record Coal Stockpiles, Sales Slumping

Coal stockpiles in Japan, at a postwar record of 12 million tons, are ample evidence of the deterioration of one of the country's important industries.

Two years ago only eight million tons were stockpiled.

The present figure is twice normal inventory and equivalent to 25% of a year's demand.

Sales are slumping, prices are drifting off and almost all Japanese coal mining companies are operating at a loss, yet an anomaly exists. Japan is short of metallurgical and steam-raising coal.

Pig iron production is running around nine million tons, requiring a similar tonnage of coking coal. Domestic producers are able to furnish only 4.5 million tons.

Thus the Ministry of International Trade and Industry has been forced to increase imports.

Main reason for the industry's troubles: **Greatly decreased demand from the electric power industry** which curtailed its purchases by four million tons last year.

Favored by abundant rainfall, the power industry's production of hydro-electricity increased considerably and output of thermo-power was drastically reduced.

Another factor: Competition from low-cost oil.

Petroleum prices have dropped, due to the heavy world supply and low shipping rates. In big consuming areas, oil undersells coal by as much as 20%.

To relieve the crisis, the Japanese coal industry:

- **Set its production quota for year ended March 31, 1960, at 48 million tons,** about two million less than consumption for the period.
- **Established a company to buy a million tons of surplus coal** and withhold it from market. Funds were provided by banks affiliated with coal mining firms.
- **Began to draft plans to close inefficient mines** and dismiss workers.

The plans call for strengthening of mines which, with mechanization, can produce coal at a price competitive with oil, plus abandonment of unproductive, high-cost collieries.

Because working force would be reduced from the early 1960 level of 258,000 to slightly less than 200,000 by 1963, there is considerable conflict with the Japan Coal Miners Union, one of the biggest unions in the country.

A violent strike occurred this year when a company undertook layoffs to cut costs. As there is little alternative employment for miners, the government and the industry are working on plans to retrain the men.

The giant **Mitsui Coal Mining Co.,** which has racked up a 3,000 million yen deficit, presented a proposal to the union calling for voluntary retirement of 6,000 workers.

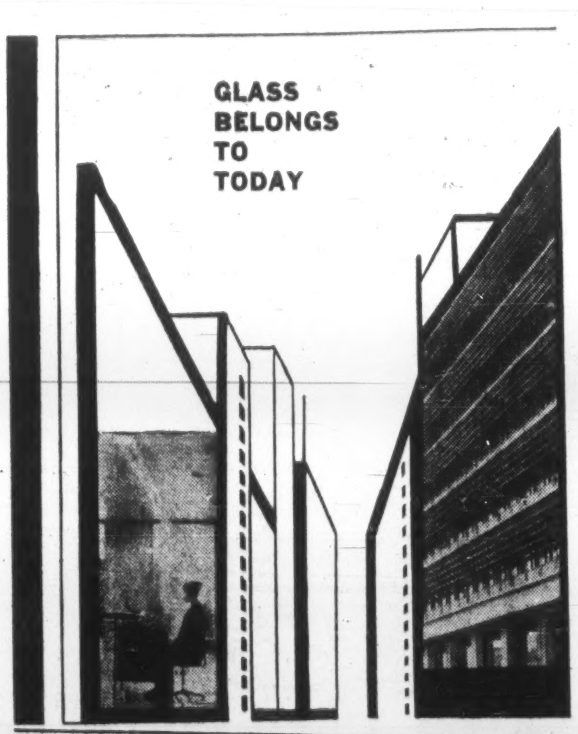
Although it was approved, less than 2,000 agreed to retire and the union adamantly refused to compromise.

Labor wants the mines nationalized to ensure "stable management" but there have been no official moves in that direction.

While Japan has roughly the same number of coal miners as the U. S., production is about 15% of U. S. output of bituminous coal alone.

Despite low wages, which are offset by higher man-hour content, U. S. coal is still cheaper on world markets.

Most of Japan's imports of coking coal came from the U. S., some from Russia and smaller amounts from Western Canadian fields.



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	1959 $	1958 $
Wheat	69,164,925	62,773,140
Flax	8,831,170	5,315,440
Wood pulp	7,106,216	3,262,176
Asbestos	6,737,132	3,544,312
Barley	5,269,850	7,225,310
Iron ore	5,053,579	8,587,471
Scrap iron or steel	4,562,329	91,572
Primary aluminum	4,288,589	5,430
Rape seed	3,552,866	1,671,585
Misc. drugs & chemicals	3,350,013	3,107,741
Copper ore	3,150,125	1,051,222
Wheat flour	2,169,843	932,750
Total exports	139,856,815	104,926,091

... And the Top Imports

	1959 $	1958 $
Misc. woven clothing, synthetic fibre	8,603,001	2,871,973
Various cotton fabrics	6,956,764	4,955,338
Radios	5,117,169	1,865,381
Plywood	3,988,816	3,464,671
Misc. woven clothing, cotton	3,525,865	2,866,842
Toys	3,407,844	3,123,511
Rubber footwear, clothing & gloves	3,226,933	1,031,609
Cotton shirts, not knitted	2,378,173	1,962,902
Misc. oil country goods	2,346,273	*769,785
Sewing machines & parts	2,125,168	2,058,261
Oranges	2,003,702	1,700,459
Cameras & parts, excl. accessories	1,959,524	1,525,026
Total imports	102,898,610	70,215,591

*July-December only for 1958.

Here's Japan's Trading Pattern

By 1980, Japan expects to triple its imports and exports. Japan's annual import-export flow is $8,000 million.

Japan's position in world trade has become well defined in recent years:

- **With its annual export-import flow at a rate of around $8,000 million,** it is one of the giants.
- **It is mainly an importer of raw materials and some primary manufactures,** has in postwar years utilized necessary currency controls to bar entry of large quantities of manufactured goods.
- **The island nation has become heavily dependent upon trade with the Western Hemisphere,** with a variety of quota, currency and political arrangements limiting its entry into other markets.

It expects a steady, rather large annual increase in both its exports and imports. One study has suggested a tripling by 1980.

Trade liberalization programs, now in existence or being discussed, may lower Japanese bars to imported manufactures and European hurdles facing Japanese products.

But the nation still expects to remain primarily an importer of raw and semiprocessed goods and an exporter of manufactured items. Certainly it cannot hope to export raw materials, since it produces few.

Here's how Japan's trading pattern looks:

The trade gap (imports in excess of exports) widened from $124 million in fiscal 1958 to $328 million in fiscal 1959.

This causes little concern since in the last two years foreign exchange reserves have risen quickly to close to $1,500 million.

Comparing the two most recent fiscal years, exports rose from $2,900 million to more than $3,600 million. Imports also shot up impressively, from $3,000 million to more than $3,900 million.

This reflects a tremendous rise in Japanese productivity and buying power.

To get an idea of Japan's great dependence upon trade with North America, it's necessary only to note that it does almost as much business with the U. S. alone as with the whole of Asia.

This results partly from the reluctance of Red China to trade and partly from currency problems in the underdeveloped nations of Asia.

A breakdown, by nation, is available for January-November periods of both 1958 and 1959.

In 1959 it shows Japanese exports to North America as more than one third of the total and imports from North America as more than 40% of all imports.

Asia accounted for some 34% of Japanese exports and 32% of imports.

South America took 4% of exports and supplied 3% of imports.

Africa 12% of exports and 3½% of imports, the first figure resulting largely from Liberian purchases of Japanese-built ships.

Australia-New Zealand 3% of exports and 9% of imports.

Europe 11% of exports and 10% of imports.

Europe has been the tough market for the Japanese to crack. The Europeans in the postwar years have been distinctly unfriendly toward Japanese goods, contending that they may seriously harm their domestic industries.

However, improvement is possible. In fact, West Germany — which has many economic and cultural ties with Japan — has now committed itself to a program of liberalization of Japanese imports.

Certain specified items will be allowed unrestricted entry into Germany. For some others, quotas will be enlarged.

In its argument to German officials, Japan pointed to a large unfavorable balance of trade. It was also helped — and probably will be in future talks with other Europeans — by U. S. pressure.

The U. S. argues that, with currency problems no longer an important factor, European nations should be more liberal in their approach to trade with Japan.

In effect, the Americans say that North America has undertaken the necessary task of helping revive Japan's trade and economy by buying Japanese goods — and that, now, Europe must do more to help.

This Europe may do.

However, much tough bargaining will lie ahead. For both Japan and Europe, the big problem is the fact that Japanese export efficiency is concentrated in fields in which European nations have very large industries employing many people.

These include textiles, electrical manufactures, shipbuilding, steel.

At present, it appears that the Japanese trade liberalization program — if carried out as envisioned — will make it easier for imports of manufactures to flow from Europe (or anywhere, for that matter).

If so, this will be a further argument in favor of a European lowering of tariff bars and increasing of import quotas on Japanese products.

Accident Every 3 Min.

One of Japan's great social problems is the traffic accident.

Since the last war the country has taken to the road. The sudden surge has outdistanced efforts to provide highway safety education.

The result: A high accident rate, with government and police trying hard to spread the gospel of safe driving.

In 1945, there were only 150,000 cars in all Japan. Now: more than 2.5 million.

If motor cycles are added, the number comes to 3.7 million.

Traffic is mixed on most of the roads, with bicycles, other low-speed vehicles and pedestrians using the same surface. This hinders smooth flow, making traffic more dangerous.

According to a government report, **traffic accidents numbered 8,706 in 1945, but increased to 168,799 in 1958.** Each day 463 cases occur, resulting in 226 deaths, 398 injuries and a loss of $260,000 in property.

This means that a traffic accident occurs every three minutes somewhere in Japan.

The National Police Agency has undertaken revision of the existing Road Traffic Control Law.

Japan's 1960 Budget

The Japanese government's budget for fiscal 1960, as passed by the Diet earlier this year, estimates general account revenues and expenditures of 1,569,674 million yen (about $4,400 million).

This is an increase of more than 10% from the original estimates for 1959 and is more than 4% above actual 1959 expenditures.

The amount of the budget is between 12% and 13% of gross national product.

In Canada: Federal expenditures in 1959 ran at about 16% of GNP.

The two countries aren't entirely comparable in this respect.

Canada's GNP is roughly the same size as Japan's, both being at a rate of around $35,000 million per year recently.

But Canada's population is about one fifth the size of Japan's, giving people in this country a much higher per capita tax and a greater ability to pay taxes.

Another big factor is defence expenditure. Japan's defence spending is roughly 10% of the total budget. Canada's is over 25% of all federal expenditures.

Because of western policy after World War II, Japan is—at most—semi-armed, while Canada is a full-fledged member of western defence alliances.

Here are comparative details of the Japanese budget:

REVENUE

	1960	1959
	(In millions of yen; 100 yen=28c)	
Tax and stamp revenue	1,336,631	1,170,241
Payment from monopoly corporation	136,412	122,624
Receipts from government enterprises	17,186	16,418
Receipts from government properties and assets	19,282	14,991
Other revenue	43,341	71,282
Surplus from preceding fiscal year	16,820	80,476
Surplus funds for reinforcements of economic foundation	0	22,130
Total	1,569,674	1,498,164

EXPENDITURES

	1960	1959
Social Security	181,678	154,072
Education	180,309	164,598
Promotion of science and technology	25,240	22,519
National bonds	27,407	54,893
Pension	130,014	122,915
Grants to local governments	283,531	257,149
Defense	154,577	153,317
Reparations and other debts	24,023	32,340
Public works	276,882	242,645
Flood control	59,277	46,416
Road construction	89,016	79,795
Disaster rehabilitation	58,058	56,824
Housing and environment sanitation	15,738	14,950
Agricultural insurance	11,492	10,852
Trade promotion and economic co-operation	4,518	3,813
Development of small and medium-sized enterprises	2,581	1,593
Others	248,692	262,503
Total	1,569,674	1,498,164

The Textile Industry Japan's Big Concern

Probably no single industry is causing more controversy than Japanese textiles.

- **Its great increase in production and export have brought cries for protection** from many of the world's textile industries, including the Canadian.
- **This has stimulated controversial protective measures** including the "voluntary" quotas which Japan imposes on exports to Canada and the U. S.
- **Inside Japan there is great discussion** of the eventual effects of liberalization of imports of raw wool and cotton and textiles.

Some fear that unhampered import of raw cotton and wool, which admittedly will tend to cut costs, may mean uncontrolled competition and possibly cutrate export prices. This could lead to further international barriers to Japanese textiles.

There is also some concern that eventual liberalization of the entry of textiles into Japan will bring in tough competition from underdeveloped nations such as India.

This is a prosperous, big industry which has grown substantially in Japan. If only because of its present great size, future growth is expected to be more moderate.

The government export target foresees modest increases for fiscal 1960. **Cotton cloth exports are set at $312 million compared with shipments of $305 million in 1959. For wool products the target is $74 million compared with exports of $68 million in 1959.**

For a smaller item, cotton yarn, a big boost is seen, with a target of $39 million. Exports in 1959 were $21 million.

The industry's exports to Canada grew from $22 million in 1957 to $27 million in 1958 to $41.5 million last year. This has resulted in widespread use of the export quota, although Canadian producers continue to complain that they are being too hard hit.

Earlier this year Japan announced it would control 77% of textile exports to Canada, compared with $63% last year. Newest details of self-imposed quotas:

Spun rayon:

Blouses and shirts, 310,000 doz., down 33% from the 1959 quota; coats and slacks, 144,000 doz. from April to December (shipments in the first four months totaled about 160,000 doz. and in all last year 480,000 doz.); knitted wear, 140,000 doz., down 6%.

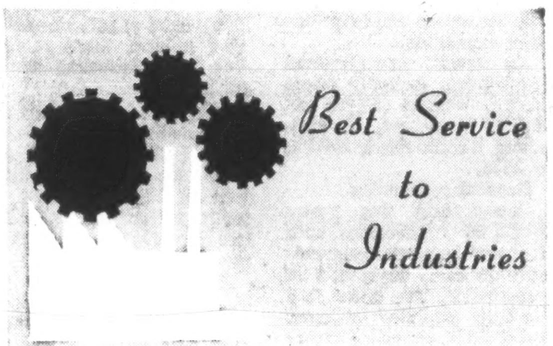
Quotas on goods previously without quota, compared with 1959 shipments:

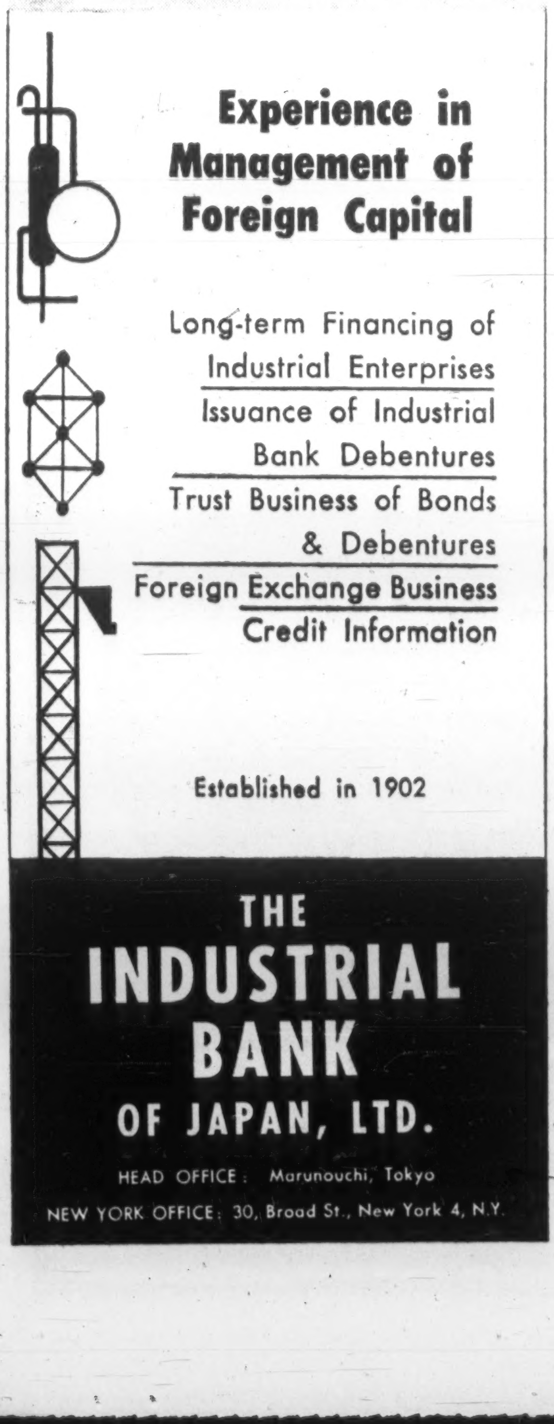
Woven elastic webbing, 482,000 lb. (450,000 last year); synthetic fibre blouses and shirts, 50,000 doz. (down about 60%); synthetic knitted wear, 75,000 doz. (up 5% to 8%); synthetic coats and slacks, 45,000 doz. (up slightly); cotton sheets, 666,000 pieces (down slightly); bedspreads, 600,000 pieces (up 10%).

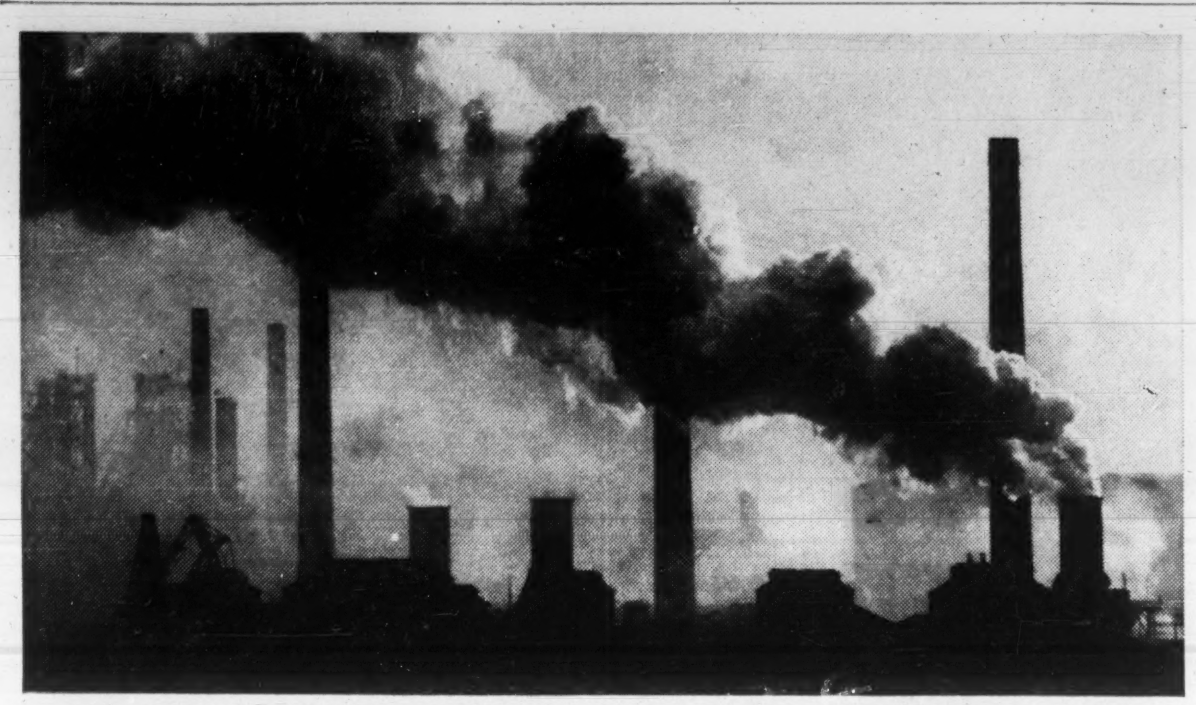
Cotton products:

Fabrics, 25.5 million sq. yd. (21 million quota in 1959); coats and slacks, 325,000 doz. (300,000 doz.); knitted wear,

(Continued on p. J-13)







STEEL PRODUCTION is expected to reach 20 million tons this year. Japan ranks 5th producer in the world.

Steel: Record Sales, Earnings

Japan is the world's No. 5 steelmaker, following U. S., Russia, West Germany and U. K.

This year it expects to produce 20 million tons to Canada's close to six million.

Within a few years Japan has developed a voracious appetite for imported iron ore and coking coal and a tremendous ability to compete in the world's steel markets.

Importing almost all its raw materials, the nation has become the world's No. 5 basic steel producer.

Production this year may hit 20 million tons (Canada: Probably close to six million).

The total last year was about 17 million tons and in 1957, some 12 million. For 1970, Japan Iron and Steel Federation predicts 38 million tons.

For Canada this is bittersweet.

It presents a market of increasing potential for our western coking coal and iron ore. Last year we shipped $1 million of coal and $5.1 million worth of iron ore to Japan. Both figures were sharply higher than the year before. If the Japanese industry grows as expected, we can anticipate even larger markets.

For the Canadian basic steel industry, there is stiffer competition both in Canadian and world markets. **Last year our imports of plates, steel masts and shapes for ships, plus steel oil country goods,** from Japan were worth almost $4 million, just about triple the year before.

Another big import resulting from Japan's emergence as one of the giants in steel is that of scrap steel. The country has an estimated annual demand for four million tons of scrap steel, along with its need to bring in 10 million tons of iron ore and five million of coke or coal.

Canada last year sent scrap worth $4.6 million to Japan compared with virtually nothing in 1958.

One of the active companies in the export business is **Kobe Steel Works Ltd.,** which has a technical tie-up with Canada's **Aluminium Ltd.**

It has recently concluded an historic $30 million loan arrangement with **Prudential Insurance Co. of America.**

By international standards Japanese industry has done comparatively little borrowing abroad — and nothing of this size. The 7% 12-year (after a three-year deferment) loan is the first by a U. S. life company to private Japanese industry.

Kobe ships about 40% of its rods and bars abroad. **About 30% of all its exports go to the U. S. and Canada** (in a ratio of about four to one), most of the rest to Southeast Asia.

Kobe — like other major steelmakers — is optimistic.

"Costs are going down," a company official told FP. "This is true of the whole industry."

The industry is mechanizing and diversifying. Kobe, for example, is a big and growing maker of titanium and is ambitious for its aluminum business.

Its deal with Aluminium Ltd. envisions comprehensive Canadian technical assistance for the fabrication of aluminum in Japan. Kobe will take its ingot from Canada when it cannot be bought in Japan.

Meanwhile the industry was reporting new records earlier this year.

The "Big Three"—**Yawata, Fuji and Nippon Steel & Tube**—had record combined sales and earnings for the semi-annual March accounting period.

Yawata sales of more than $250 million led all corporation for the half-year. Earnings were more than $14 million.

The export targets set this fiscal year for iron and steel reveal the ambitions of the lively Japanese industry.

Export aims for fiscal 1960 (with 1959 in brackets):

Ordinary steel, $190 million ($153 million).

Galvanized iron sheet, $52 million ($55 million).

Secondary products, $85 million ($68 million).

Special steel, $21 million ($11 million).

Ferroalloy, $25 million ($18 million).

Including steel used in exported manufactured goods, about 10% of the industry's production goes abroad.

Japan ranks 13th in the world in per capita consumption of steel, with its large shipbuilding, machinery and equipment industries.

Its position as the No. 5 producer puts it behind the U. S., Russia, West Germany and the U. K., somewhat ahead of France and Red China and well ahead of the next group, including Italy and Canada.

Production of steel now is more than twice the annual rate during the war years, has more than doubled since 1954.

'Quality Steelmakers'

Here's what a Canadian expert — D. O. Davis, **Dofasco** vice-president, engineering—had to say after seeing the Japanese steel industry:

"In every category, the Japanese are doing an enviable job of quality.

"Their engineering is excellent. The new equipment being installed is of the very best.

"**Top quality raw materials are used, the finest of production procedures followed,** and quality controls, both statistical and metallurgical, are carefully maintained throughout all processing.

"The **Yawata Steel Co.** produces 25% of all Japan's steel. The plant occupies 1,800 acres, employs 35,000 and its 1959 production figure will reach 3,600,000 tons.

"Their plants operate at high efficiency with modern techniques. Their blast furnaces have carbon hearths, for instance, and they practise ore sizing, reducing their coke consumption 25%.

"Their rolling mills are of the best and latest design.

"Visiting the **Kawasaki Steel Co.,** there was one outstanding installation worthy of note.

"**The blast furnace and coke plant at their Chiba works** is one of the most efficient in the world. To the best of my knowledge it has the lowest manhour-per-ton record in the entire steel industry.

"The **Toyo Kohan** plant rolls tin plate as thin as .004 in. whereas we at Dofasco prefer to stop at .008. Plastic coated steel strip, of a quality better than any I have yet seen, is rolled in still another Japanese mill.

"Another Japanese mill has, in the designing stage, a huge 160-in.-wide plate mill. Each housing for this mill will weigh 225 tons and the back-up rolls will be six feet in diameter.

"**They are making equipment as large** as this for one distinct reason—accuracy of gauge and resulting quality of the steel."

How Tax Laws Affect You In Japan

If Canadians invest in Japanese industry, how will tax laws affect them?

Here is the situation:

Canada has no income tax agreement with Japan, as has the U. S.

There has been some preliminary talk about entering negotiations for a tax convention but at press-time for this supplement the situation was still "very indefinite."

Many foreign investors — including Canadian — collecting dividends in Japan pay a Japanese tax of 20%. Americans pay nothing and nationals of certain other nations pay 15%, as a result of tax agreements.

Under Canadian law — and in the absence of a Japanese tax deal — a resident of this country is entitled within certain limitations to claim tax imposed by a foreign government as a credit against Canadian tax. A Canadian thinking of investing in Japan should check details with the department of national revenue.

PRIME MINISTER IKEDA

Prime Minister Hayato Ikeda of Japan is a good friend of the Western democracies and a supporter of free enterprise principles. Although a conservative politician he is outspoken in favor of free trade and economic expansion. Born in Hiroshima in 1899, he was the son of a wealthy sake brewer and attended Kyoto Imperial University where he studied law. He was Finance Minister in the cabinet of former Prime Minister Shigeru Yoshida and has held almost every important economic job in the Japanese government. He is an expert on taxation and has published at least two books on the subject. Ikeda has said he believes a new attempt should be made to re-open Japan's trade connections with Communist China. He would like to free Japanese trade and capital flow and further integrate Japanese industry with the Western nations. Politically Ikeda steers a middle course between the Socialist and reactionary extremes. His Liberal-Democratic party is expected to be returned to power in late-fall elections.

A U.S. View of Japanese Trade

Here are some interesting comments on Japan's trade relations with other countries, and particularly with U. S. They are taken from an interview with Wallace Higgins, consultant to U. S. and Japanese companies who has lived in Tokyo for 15 years, and published in International Trade Review, a Dun & Bradstreet publication.

How do you think, the "average" American businessman feels in his consideration of the Japanese?

I have been surprised to find that there still exists a great amount of mis-information of Japan and misconceptions of the true situation in every area. It seems that the average American businessman is still pretty suspicious of his dealings with the Japanese.

What, if any, explanation do you offer for this "suspicion"?

I hear references made to the copying of design, pirating of patents, cheap and shoddy goods and the fact that we shouldn't allow so many imports to come in competition with our own production.

However, in my experience I find that at least 50% of the time, the Japanese who are blamed for copying and pirating of design are not guilty at all.

They have been sold a bill of goods, more or less by some unscrupulous American importer who has taken a new design manufactured in the U. S. and shipped a model to Japan with an order to "build me 5,000 of these at a certain price".

He always picks a small manufacturer who has had little experience in international trading, who is not familiar with patent laws, who has laborers he can't fire due to the traditions existing in Japan and whom he must keep working even without profit. The manufacturer gets blamed for copying design although he has no knowledge of any infringement of anyone's rights.

Isn't it true that many U. S. firms have had unfortunate experiences in the past with government controls on capital investment, licensing agreements, etc., and as a result have written Japan off as a profitable overseas venture?

It must be borne in mind that Japan is a small country which is totally devoid of natural resources. The only resource they have is manpower and initiative and industrious ingenuity, and the ambition to forge ahead. This limits them in their activities on a world wide basis and leaves only one road open to them which is to production for others. This, they are in a very good position to do.

Recently Japan realized that it had gone a little too far in this direction of restricting capital investment and it was reacting to her disadvantage so she recently liberalized controls and is approving more licensing agreements and co-operative capital investment agreements on a more favorable basis.

One of the major protests against the importing of Japanese goods seems to stem from the fact that the Japanese manufacturer pays extremely low wages for long hours of work. Would you care to comment on this from your own experience?

I frequently hear that the cheap "slave" labor, or sweat shop conditions in Japan enable the Japanese to invade foreign markets and make it difficult for Americans to compete.

Labor in Japan in many cases is not cheap. While the wage scale is low, due to tradition the manufacturer must keep many workers on the job doing one man's work.

Actually, in certain areas the cost of production is much higher in Japan than it is in the U. S.

For instance, in the coal mining industry, Japan employs approximately the same number of miners on a national basis as the coal industry in the U. S. But, the production is only about one twenty-fifth. This means that in spite of the low wages, it costs the Japanese coal industry approximately $10 to $12 per ton to produce coal at the mine. I understand that the cost in the U. S. is somewhat under $4 per ton. This in spite of the high hourly wage.

During occupation, U. S. wrote labor laws under the occupation — word for word, the Japanese had no choice as to what was included. There were provisions in the labor laws that U. S. labor leaders hope may someday be granted to American labor.

The result was that the Japanese had the right to strike, they had the right to manage and control production, they had many benefits granted them but they lost their security.

Now when a Japanese workman is out of a job, he expects to be taken care of on the pre-war basis but he wants the wages that are granted him under the post-war laws. It has created a very difficult situation for the Japanese employer.

He wants to follow tradition and keep the men on the payroll but when he has no work it is very difficult and the workers strike for bonuses which they think is their right.

So, when we judge the cost of production in Japan, we overlook the fact that while the hourly wage is low, the average worker receives a bonus twice a year, equal to at least a month's salary so that he is actually getting 14 months of pay during the 12-month year.

They have many side benefits—insurance, hospitalization, etc., are taken care of. In most businesses, the employer pays their income taxes. There are all kinds of side benefits which we don't enjoy in the U. S.

Demand Increases For Our Aluminum

Japanese demand for aluminum is long on potential.

This presents an interesting situation for Canada, one of the world's largest and most efficient ingot-producers.

In spite of its aluminum-using potential — still largely undeveloped — Japan has been an erratic market for Canadian ingot. Look only at figures for the last two years. Japan bought only a few thousand dollars worth of primary metal from Canada in 1958 and $4.3 million worth in 1959.

In spite of the relatively high power costs in Japan, the Japanese industry has been expanding.

Its capacity now is about 139,000 tons annually (Canada's is between 850,000 and 900,000 tons) and, it's suggested, it could rise to 200,000 by 1963.

Demand is booming.

Consumption this year should top 200,000 tons, with the metal being used increasingly in cars, buses and in construction. The latter is a use little exploited in Japan and could be expanded greatly.

One authority says consumption could easily grow at a rate of 10% per year or more. This might bring 1966 consumption to 360,000 tons, with still further growth in sight.

If this analysis is correct, then Japan before long could be importing close to 150,000 tons annually.

Canada would be in excellent position to fill this demand for two reasons:

- **Our production efficiency, based as it is on cheap water-power.**
- **Our well-developed ties** with the Japanese market.

Main illustration of Canada's position in the market would be the association between **Aluminium Ltd.** — biggest Canadian ingot producer — and **Nippon Light Metal** — biggest in Japan.

Nippon has annual output capacity of more than 60,000 tons, is 50% owned by the Canadian firm.

In the April-September period of last year Nippon Light Metal accounted for 84% of total ingot sales in Japan, 12% of alumina, 4% of aluminum hydroxides and 4% of liquid chlorine.

Company some time ago announced expansion costing $3.4 million, more recently has been discussing further additions.

Nippon Light Metal and other major producers — including **Showa Denko** and **Sumitomo Chemical** — have ushered the Japanese ingot industry from postwar oblivion into a brisk age of rapid expansion.

Production last year of about 110,000 tons compared with 93,000 in 1958, 72,000 in 1956 and under 15,000 for combined 1946-48.

Standard Measure

Japan appears to be successfully ending much of the confusion of having at least three different ways of measuring weight, area, distance and volume.

Until last year there had been a bewildering mixture of native measurements, the metric system and the yard-pound-acre systems.

Last year the decimal system was made universal.

Japan Has a New Export But It Can't Be Bought

Japan finally is exporting Kabuki.

But this export won't produce any tariff-and-quota controversy.

The stylized, traditional Kabuki play — all-male — reflects Japanese life of the Edo era from the 17th to 19th centuries.

This year a Kabuki troupe arrived in North America to show audiences in U. S. cities something which must have seemed like a mystifying and exotic whiff of life on another planet.

Kabuki now seems strange even to today's Japanese.

The themes of the plays involve the clash between humanity and the feudalistic and family systems dominated by the old feudal concept of morals.

Kabuki is generally a narrative and descriptive type of drama, explains an expert, Prof. Toshio Kawatake of Waseda University. Every scene in the drama has its dramatic climax and the plot as a whole is readily understandable.

One of the characteristics of the production is the "Hyoshigi" or wooden clappers. The raising and closing of curtains are heralded by the rhythmical sound of wooden clappers instead of bells or gongs.

The scenes depicting sword fights among the actors are accompanied by samisen, drums and clappers in order to give them more rhythm. In some cases actors turn acrobats and perform somersaults on stage.

Over the centuries, the audiences and actors change more quickly than the plays.

Once, spectators used to sit on mats cross-legged and enjoyed the plays under candlelight while smoking or eating lunches.

Today all Kabuki is staged in large modern theatres brightly lit with huge electric lights.

In ordinary life the Kabuki actors themselves now wear foreign-styled suits instead of kimono, and play baseball and golf.

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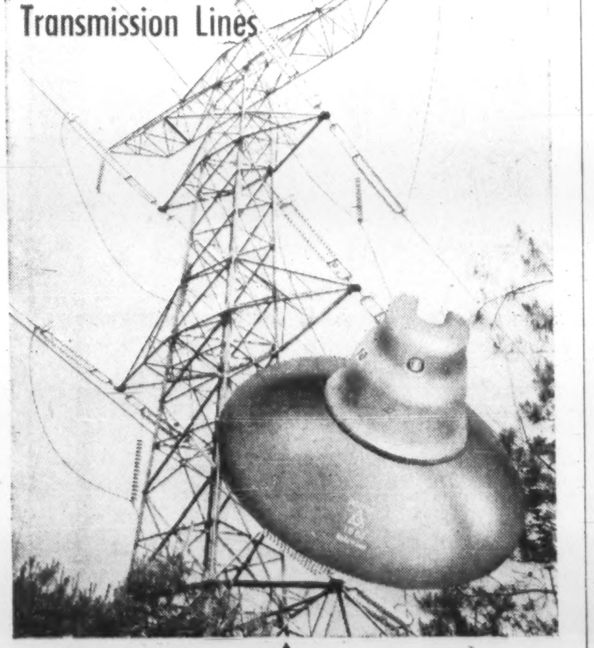

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THERE ARE more than 9,000 nurseries in Japan looking after 650,000 pupils. Half are government operated while the remainder are run by religious, social welfare and private organizations.

Japan's Problem: Too Many People Jammed Into Too Small an Area

Japan's 93 million people are a lively, industrious multitude, obviously impressed by their increasing ability to own radios, TV sets and even automobiles.

They are crowded onto a 1,300 - mi. - long string of islands whose surface is 70% mountainous.

With an area of 142,000 sq. mi., the country is teeming—more than 650 people per sq. mi. compared with less than five in Canada and about 50 in the U. S.

There are more than 3,000 Japanese for each sq. mi. of arable land. Tokyo, with about 12 million people, competes with London and New York for the title of world's biggest city.

This density of population is at once a difficult problem and a great asset.

Jamming so many people into farming areas makes it almost impossible to carry on high-efficiency, large-scale farming. At the same time the size of the populace calls for huge quantities of food. Relatively low productivity in rural regions results in big imports of grain and meat.

On the other hand, there are large numbers of people available to work in rapidly expanding manufacturing industries.

As a natural result, wages are low.

Workers' cash earnings in January this year averaged $56 per person. For the whole of 1959—and including the bonuses customarily paid during the year—the monthly average was $63. This is about 20% of the Canadian average.

That doesn't tell the whole story about living standards in Japan.

Many large industrial companies provide cut-rate food, accommodation, recreational facilities for their workers. In addition, companies are reluctant to lay off employees, even when business drops.

One large manufacturing firm operates a "company store" and its employees' union has a similar outlet. The two compete in offering low-priced goods to workers.

Basic items such as fish and rice are comparatively inexpensive. Much Japanese-style housing — extremely cramped by western standards—is low-priced.

"But," comments a North American, "if you want to live in western style, it will cost you more than it would in North America."

Wages are rising—up 26% in manufacturing since 1955. They are still increasing at a rate which probably is close to 6% per year.

A number of estimates suggest that wages in 1970 will be between 60% and 75% higher than they are today.

Projections generally are based on a slowly rising population for the next 10 years and little increase after that.

The low Japanese birth rate is in startling contrast to those in the nations of mainland Asia.

The 1954-58 average annual birth rate for Japan was only about 18 per 1,000 persons. This is about half the 1947 rate of 34.8 per 1,000.

It's similar to rates in West Germany, the U. K. and France, considerably lower than Canada (28 per 1,000), the U. S. (25), India (25), Hong Kong (38), and Malaya (45).

A declining death rate keeps natural increase close to a million per year. This is still well below the 1.7 million rise in 1947.

This amazing change apparently results from wide public acceptance of birth control and the sudden popularity of the small family.

Another factor, undoubtedly, is the decline in the number of early marriages. Before the war, Japanese married young. Now, many do not, possibly as a reflection of the increased independence of women.

The Japanese recognize the dangers of further overpopulation of their crowded, beautiful islands. Apparently they are succeeding in doing something about it.

Japan's Trade Unions

Japanese trade unions were organized quickly in the immediate postwar years, the number of unionists in 1948 topping six million.

Trade unions and union members in Japan now number 39,303 and 7,077,510, respectively. Estimated rate of unionization is 34.5%.

Year	Union Members	Rate of Unionization
1945	380,677	3.2%
1946	4,925,598	41.5
1947	5,692,179	45.3
1948	6,677,427	53.0
1949	6,655,483	55.8
1950	5,773,908	46.2
1951	5,686,774	42.6
1952	5,719,560	40.3
1953	5,842,678	40.3
1954	5,986,168	39.0
1955	6,166,348	39.0
1956	6,350,357	36.4
1957	6,606,275	36.1
1958	6,881,581	35.1
1959	7,077,510	34.5

Here is the table of unionization by industry:

	000		
	Employed	Unionists	Rate-%
Total	**20,540**	**7,077**	**34.5**
Agriculture and forestry	740	86	11.6
Non-agriculture and forestry	19,790	6,991	35.3
Fishing, etc.	200	36	18.5
Mining	620	365	58.9
Construction	1,590	444	27.9
Manufacturing	6,770	2,302	34.0
Wholesale, retail, financial & insurance, real estate	3,630	549	15.2
Transport & communications, electricity, gas and water	2,090	1,578	75.6
Service	3,450	984	28.5
Government	1,440	722	50.2
Unclassifiable	....	8	...

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How Much Pulp, Paper For Japan?

Can we sell Japan more pulp and paper products?

Chances look slim for immediate sales while future demand will depend on how quickly Japan's standard of living will rise.

As a market for Canadian pulp and paper products, Japan is a question mark.

The country seems likely to buy some quantities from Canada almost indefinitely. But will it be a boom market or a small one?

Even the best-informed in both countries are not sure of the answer.

In general the Japanese industry seems rather higher cost than the Canadian. But it wishes to expand and expects to continue accepting profit margins lower than the Canadian in order to do so.

It's unlikely there will be complete freedom for Japanese imports of pulp and paper in the immediate future.

Thus Canadian chances for very large sales in Japan look slim now. Expected rapid growth in demand makes the long term considerably more attractive, assuming that Japan's standard of living continues to rise.

The Japanese industry is large, producing more than four million tons of paper and paperboard last year and more than three million tons of pulp. It is one of small units — 460 companies, 560 mills, employment of about 82,000. Production has roughly doubled in the last five years.

Imports from Canada last year included more than $7 million in pulp (almost all sulphite) compared with $3.3 million the year before. Newsprint import was negligible.

However, there is now a tough new Alaska-located Japanese - owned competitor in Japan's market for sulphite pulp. This is **Alaska Lumber & Pulp Co.**, which has been producing at its Alaskan mill since last December. Annual capacity of the new mill is about 120,000 tons.

Japan's domestic capacity for this kind of high-quality rayon pulp is about 400,000 tons.

This seems to leave Canadian suppliers in the cold.

However, Alaska Pulp officials predict that fast-rising demand plus rather low domestic output will—possibly within two years—result in renewed demand for imports.

Meanwhile the remainder of the Japanese industry is working hard to:

- **Cut production costs.**
- **Use increasing quantities of hardwood and waste wood as raw materials.** (With pulp output now a little over three million tons, 40% hardwood is now used. When it hits 5.5 million tons, that percentage may be 70.)

A possibility:

Growth in demand and production may be so great in paperboard and fine papers that a demand for imported newsprint may appear. Recent expansion for paperboard has been something like 25% annually, as Japanese packaging techniques rapidly become more sophisticated.

Japanese newsprint production topped 700,000 tons last year but demand by 1975 is expected to be at least 1.6 million.

Demand for other pulp and paper products, predicts the Food and Agriculture Organization, is likely to grow as rapidly.

In fact, the need for paper and paperboard in 1975 is expected to top eight million tons or more than twice the 1959 output in Japan.

The small nation is likely to find it difficult to meet this demand from domestic mills and wood resources. Certainly, large imports of pulpwood — possibly from Russia — are probable.

Japanese newsprint production costs are a little higher than those of its main competitors, estimates the Japan Pulp and Paper Association.

Sulphate pulp costs might be about the same while sulphite pulp costs may be 10% to 20% higher. The association is optimistic about board and fine paper costs and feels fine paper is a promising export.

Insulators: Profitable New Markets

In a clean and bustling factory in Nagoya, a young Japanese rains hammer blows upon porcelain insulators for hours on end.

He's an important part of an important industry. His employer — **Nippon Gaishi Kaisha** — employs 3,000 to make insulators, does a $500,000 per month export business with 60 countries.

Selling largely to Asia, it's interested in the growing market in North America, feels it can compete in price with Canadian and U. S. producers.

The youngster with the hammer is testing insulators' durability. A number of mechanical methods have been tried but none have been as efficient as a strong right arm.

In another big factory not far from the insulator plant, a sister industry continues to boom. **Nippon Toki Kaisha** produces the famous Noritake chinaware, is probably the biggest company of its kind in the world.

Its 3,300 workers turn out a product that is 75% for export markets. "Sales are rising by about 5% or 10% a year," **FP** was told. Like the insulator company, it exports to about 60 nations and also sees future market growth in Canada.

Costs are rising but so are profits. The work force — about half female — is stable, the average male employee having been with the company for 14 years, the average female seven.

Wages are in line with the rather low average in Japan but the company hastens to point out that fringe benefits cost $10 per month per worker.

Neither of these major companies is pessimistic for itself or its industry.

Most of the high-grade Japanese steel born of Canadian iron ore is earmarked for Japan's own domestic market — for the construction of new buildings, for printing presses, refrigerators, automobiles, railway lines, and the countless other needs that can only be met by Steel.
But some is shipped overseas in the form of plates, bars, shapes and tubes — to Canada as well as many other rapidly growing nations. In thus "going home" this Canadian iron helps to demonstrate the mutual advantages of increased trade, while drawing two Pacific neighbors closer together.

● *Some Canadian iron goes home*

There's Culture in Japan's Booming Pearl Industry

Japan's exporters of cultured pearls are making feminine hearts flutter at a rate that can be measured in big annual increases in sales abroad.

And right at home, the female tourist — and the male, buying for his wife — peers seriously at pearls in dozens of shops catering especially to travelers from overseas.

The growing popularity of cultured pearls in the western world has been expertly exploited by the efficient Japanese industry.

Exports this year should exceed $25 million, almost twice the total in 1956.

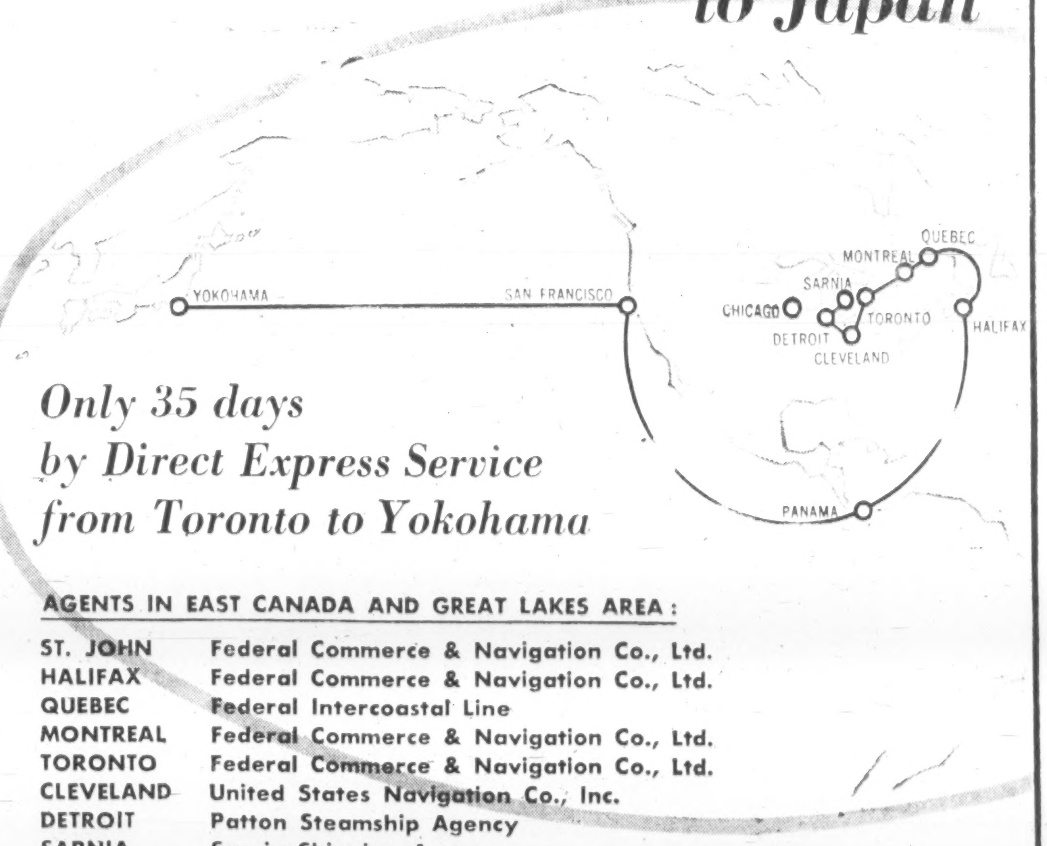
More than half go to the U. S. and high percentages to Switzerland and Germany. Canada last year bought pearls worth an estimated $700,000 compared with $433,000 the year before.

Rising demand keeps producers increasingly busy seeding, cultivating and collecting their underwater harvest. Good cultured pearls take from two to five years to produce, supervised by skilled workers. Even then, many must be discarded as too low in quality.

Some years ago, producers feared that rising demand and the growing number of operators would lower quality and terminate the trend to pearls. To meet the situation the Japan Pearl Export Association was formed in 1957.

Since then, it has controlled quality and prices, permitting only better gems to move into foreign markets.

Iino Lines Span the Sea-Lane The Heart of Canada to Japan



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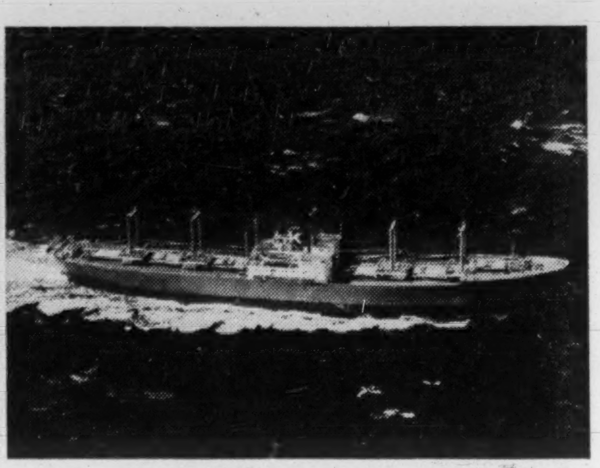

KAWASAKI is one of Japan's biggest shipbuilders. It also owns and operates KKK shipping line with its 90 vessels.

Still No. 1 Shipbuilder

Japan is still No. 1 shipbuilder in the world, with 1.8 million tons launched last year, topping Great Britain's 1.4 million tons.

World demand for new ships has decreased while building costs are rising. However, the industry offsets this by boosting production of various kinds of machinery.

It's estimated that the seven major Japanese companies now get half their sales this way.

Japan's shipbuilders are big and diversified.

Big because Japan during the past decade has demonstrated a tremendous ability to compete in the international market for new ships.

Diversified because shipbuilding is a business of sharp variations in demand and the Japanese builders move into other products to flatten out the peaks and valleys of their business.

Figures demonstrate Japanese leadership.

The nation's yards launched almost 1.8 million tons last year, topping second-place Great Britain, which launched 1.4 million, Germany, 1.2 million. Japan has been No. 1 since 1956 and last year launched 20% of the world total of new tonnage.

As a nation Japan places great importance on this industry.

It has subsidized expansion of its shipping lines which in turn helps the yards. It has supplied credits to overseas buyers in order to win orders.

For instance, yen credits were arranged to allow Indonesia to buy a dozen or more ships, Paraguay six and India two.

Just as important, the Japanese have turned loose some of their best industrial brains on the problem of increasing shipbuilding efficiency, improving techniques.

As for diversification, look at the amazing **Kawasaki** group.

It's one of the biggest shipbuilders, recently employing 13,000 of its 42,000-person labor force in its sprawling dockyards.

Kawasaki also is one of Japan's largest steel producers, a substantial aircraft builder, big producer of rolling stock and owns the **KKK** shipping line, which operates more than 90 vessels.

The group also produces such things as textile and chemical machinery and marine engines.

Kawasaki says its shipbuilding costs are rising, that orders have been down but may be picking up. Profit levels have come down slightly.

For the industry generally, the palmy days of huge orders seem to be ended, at least temporarily. This reflects the international surplus of shipping.

The shipbuilding companies, to counteract this trend, recently have boosted production of machinery of various kinds. It's estimated that the seven major companies now get half their sales in this way.

(These seven include **Mitsubishi Shipbuilding, Mitsubishi Japan Heavy Industries, Mitsui Shipbuilding**, Kawasaki, **Hitachi Shipbuilding, Mitsubishi Heavy Industries Reorganized, Ishikawajima Shipbuilding.**)

The diversification ranges from construction machinery, through boilers, trucks and cars to motor scooters.

Ships, however, will continue to be an important export.

At the end of 1959 orders booked with major shipyards amounted to 2.5 million tons, 80% for export. (At the end of 1956, there were 4.2 million tons on order.)

Sale of ships abroad earned $370 million in foreign exchange last year, contributing much to Japan's increasing reserves of exchange which make possible the current import liberalization program.

The shipyards like the liberalization idea. They see it — combined with dropping of exchange restrictions in Europe — as contributing to increased international trade and, eventually, greater need for new ships.

A worry: About possible restriction of overseas trade resulting from the formation of trade blocs in Europe.

The latest and most authoritative word on the industry comes in a White Paper from the Transport Ministry.

It warns of the possibility of real trouble from 1961 on, if present trends continue.

The Paper urges the industry to strenuous efforts to stimulate demand for shipping, modernize plant and streamline management.

It also suggests allowing ship-owners to place orders on a deferred payment basis.

The companies see still other possibilities for improvement:

- **They are researching nuclear-powered vessels** in order to be able quickly to fill any future demand.
- **Some makers are looking at their chances of cutting in on fast-rising demand** — particularly in the U. S. — for smaller vessels, largely pleasure boats. Even small motor boats may be a possibility.

Trade With North America Brings New CPA Customers

Increasing business ties between the Americas and Japan mean new customers for Canada's air link with the Orient.

Canadian Pacific Air Lines says last year's passenger total on its Vancouver-Tokyo-Hong Kong run was 19.2% higher than in 1958. The 13,800 passengers set a record for the CPA North Pacific service.

The passenger pattern is changing, largely because of the rising number of business and tourist trips taken by both North and South Americans.

CPA's service to Tokyo fits neatly with its flights to Mexico and South America. As a result, increasing business ties between Japan and Latin America, mean more business for CPA.

CPA started service linking Vancouver with Tokyo and Hong Kong in September, 1949, using Canadair 4's.

Subsequently the airline operated DC-4s, Super DC-6Bs and Britannias on the route. Britannia service between Vancouver and Tokyo was inaugurated Aug. 24, 1956, and the jet-prop service was extended to Hong Kong a month later.

In 1953 the airline had extended its Hong Kong-Tokyo-Vancouver service to Mexico City and Lima. Then the route was pushed on to Santiago and Buenos Aires.

Flying time over the 6,860-mi. route between Vancouver and Hong Kong via Tokyo is 22 hours via Britannia.

Major reasons for the popularity of this service include its relative speed compared with more southerly services and its convenient connection with Latin America.

To encourage more traffic, the airline has spearheaded a successful drive to attract more tourists and businessmen to Japan and Hong Kong.

For example, CPA, in cooperation with **Orient and Pacific Steamships**, this summer introduced the first air-sea tours in history from Canada to the Orient.

The airline also offers a 22-day Empress Orient tour featuring visits to Tokyo, Hong Kong, Manila, Macao, Bangkok, Saigon and other Far East ports of call.

Princess Orient tours offer a do-it-yourself arrangement. Passengers can leave Vancouver on CPA's bi-weekly flights to the Orient, and be completely independent. They can arrange to make their tours as long or short as time and budget permit.

Government Help For Shipping Lines

Japan's huge shipping industry has been sharing unhappily in the world slump in that business.

As owner of one of the world's biggest ocean fleets (1,900 ships, six million gross tons, counting only those vessels of more than 100 GT) Japan has been deeply concerned at the surplus of shipping and the growth of fleets in many other nations.

For instance, Filipino plans to own a larger fleet of fast new cargo liners worry the Japanese ship-owners and government.

To help beat these problems the government earlier this year said it would revive the system of subsidizing the servicing of loans to finance construction of new vessels.

Shipping interests argued that they deserved help, both because they were a vital industry in an island country and because war compensation due them had been cancelled.

Last spring, the Transportation Ministry painted a brighter picture of the future in its survey of business results of 54 major steamship companies receiving Government aid. It indicated the industry may recover from its current slump.

The ministry estimated that shipping firms' pre-depreciated profits for the semi-annual business term were more than 40% over the previous term.

Largely responsible for the sharp rise were the increase in vessels put in commission last year, a rise in the volume of cargoes carried by regular liners and the firm tone on the coastal shipping market caused by the strengthening of a freight cartel.

Mindful of increasing imports of oil, many operators are turning to tankers. Japan has been importing much oil in foreign-owned vessels.

Meanwhile the big Japanese line which pioneered service to Montreal and Toronto has expanded its operations.

Iino Kaiun Kaisha said this year it would split its New York-Great Lakes run in order to offer better service to Eastern Canadian and Great Lakes ports. A regular direct monthly liner service now links the lakes and the Far East.

With ships especially prepared for St. Lawrence Seaway use, Iino was satisfied with its first year of Seaway experience. It warns that the delays experienced would be more disturbing for tramp operators than for its regular liner set-up.

Iino's world-wide business has expanded rapidly. The company's fleet now has 34 vessels totalling 550,000 d/w tons. Of this, 12 ships of 312,000 tons are tankers.

Almost the whole fleet has been built since the war, making it a formidable competitor.

The company's competitive ability also is heightened by its diversification. The Iino group's 13 firms cover operations in shipbuilding and engineering, trading, chemicals, coal mining, rolling stock, salvage, production of a variety of plant equipment and machinery. The company built its first ship in 1954, has now produced about 40.

The move toward diversification is general among large Japanese ship-owners, as it is among the shipbuilders.

Since recession conditions are likely to continue in world shipping for some time, it's likely that diversification and consolidation of the Japanese industry will be pushed rapidly, as operators search for profits.

As in the St. Lawrence Seaway, tramp operators have been hurt more than the liner services, whose business is bolstered by Japan's big international trade.

Growing Chemical Industry

Petrochemicals is often the first word on any tongue discussing the Japanese chemical industry.

Although this branch of the industry is still only 3% of the total, it has a big growth rate.

Petrochemical output last year hit $70 million compared with almost nothing in 1957. For all chemicals: About $2,500 million.

Production of chemicals accounts for 12½% of all Japanese manufacturing, compared with less than 10% before the last war.

Japanese exports of chemicals (including chemical fertilizers) hit $166 million in 1959, with almost half this being fertilizer. Imports were $221 million.

(In 1959 Canada exported more than $5 million in chemicals to Japan, with synthetic resins and pharmaceuticals being important. Canada imported from Japan chemicals worth some $800,000.)

So, although the Japanese chemical industry is a domestic giant, its size in international markets is more moderate.

As imports are liberalized by the Japanese government, there is a rush to raise the efficiency of certain sections of the industry. Petrochemicals—overlooked in the past—is one of these.

A Japanese executive says the domestic petrochemical industry is 10 years behind the North American.

This has led to increasing imports of polyethylene, ethylene glycol and polystyrene.

However, as domestic producers expand and modernize, this demand for imports may diminish — unless consumption rises more rapidly than productive capacity, which is a possibility for some lines.

An example of the expansion:

Sumitomo Chemical Co. has plans for a petrochemical complex in the Nagoya area costing $140 million.

With completion set for latter 1962, the project includes a plant for turning out 50,000 tons of ethylene annually, from which to make 40,000 tons of polyethylene. The company also will produce xylol and benzol.

The country has shown a strong increase in demand for vinylchloride resin, for use as film, plate and in fully manufactured items. The plates are moving into construction in competition with lumber and steel sheet. Prefabricated houses using vinylchloride plates have appeared.

Production of paints was up 25% last year, with synthetic-resin-based coverings an increasingly important item. Raw material costs are regarded as quite high and there is some fear that liberalized trade will increase paint imports, which have been around 4,000 tons a year.

World's Biggest Railway Project

One of the biggest railway projects in the world was started by the **Japanese National Railways** in April, 1959. As a result super-express trains in a few years will be speeding over a new wide-gauge trunk line at a speed of 150 mph.

All details of the new trunk line, its course and number of stations, have already been decided. With ground-breaking ceremonies completed, work on the project was begun in April.

The project calls for a total expenditure of $480 million. It will be completed five years hence in March, 1964, in time for Olymic Games in Tokyo.

When completed, the line connecting Tokyo and Osaka (about 375 miles) will be the largest and fastest land transportation artery in the country. Super-express trains will cover the distance between the nation's two principal cities in only three hours. It now takes from eight to 10.

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ECONOMIC NEWS ABOUT JAPAN

Very often, we are asked by our overseas friends to describe present-day economic conditions in our country.

Although our daily activity is in the field of producing textiles, we deviate from talking about our profession to pass along what we hope will be interesting information about Japan.

In the last five years, the per capita income of the average family has increased by 22%. Gross national product in 1958 was Y10,291.7 billions in comparison with Y7,435.2 billions in 1954. Families living in metropolitan areas show a tendency for eating western foods. Take, for example, the remarkable number of households in the Tokyo area using mayonnaise (69%) and katsup (42%). These items surely represent a barometer for the present-day Japanese way of life in the large cities and are an indication of the future. Home appliances, such as refrigerators, have also enjoyed remarkable sales in the past five years. TV sets total four and a half million at present and are increasing at the rate of 300,000 per month.

As our economy continues to improve, thereby increasing the purchasing power of the Japanese, there has been an attendant demand for better quality products. Toyobo has long since recognized that good quality in all their textile products — be they cotton, wool, rayon or synthetics (acrylic fiber) — was one of our major responsibilities to our consumers. This is true of all our exports, as we make every effort to manufacture products which will exactly meet requirements of consumers in every part of the world.

For those who may read this message, we cordially invite your enquiries. We shall be delighted to send you our Toyobo Textile Pamphlet, which depicts our integrated facilities.

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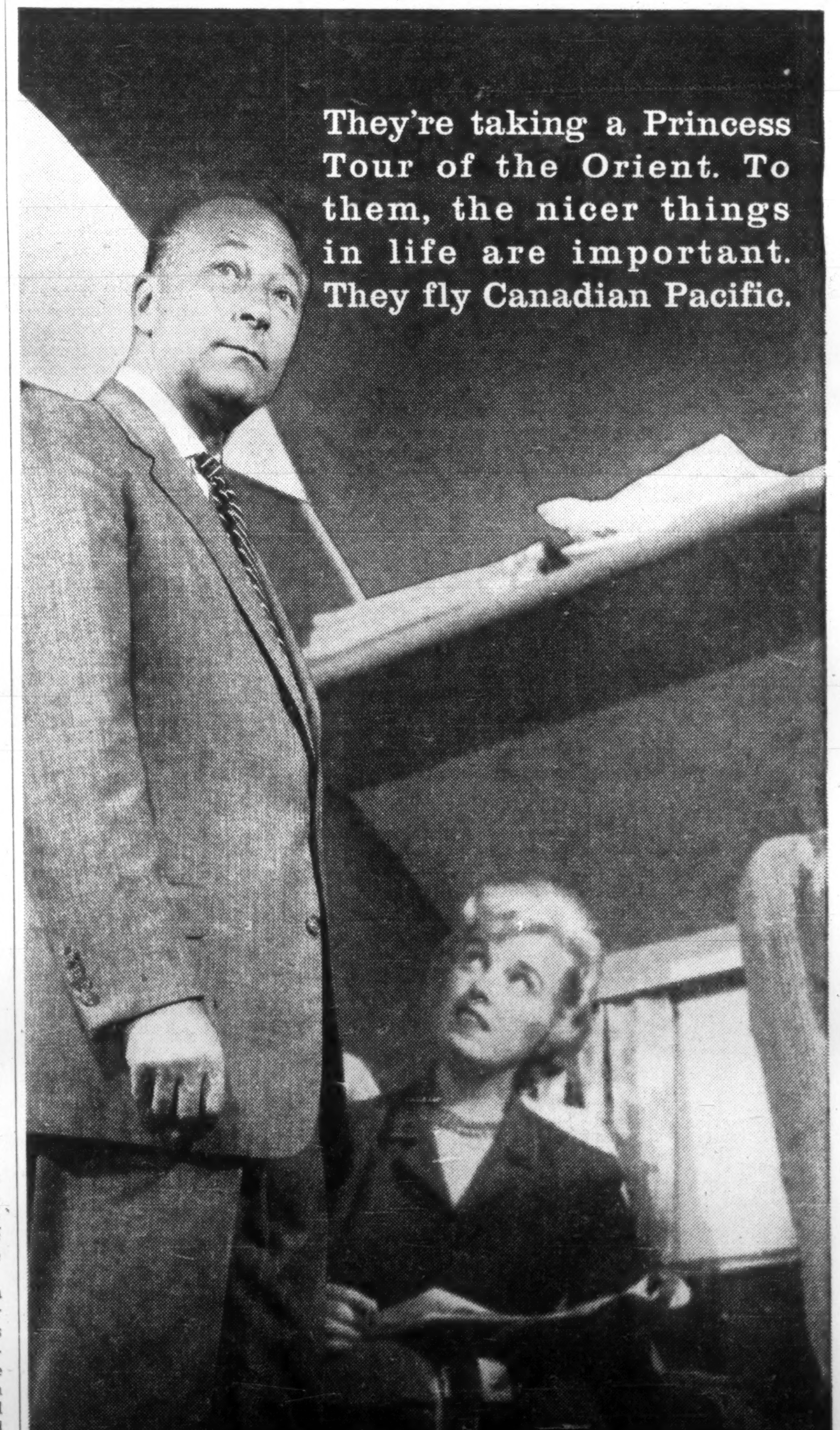

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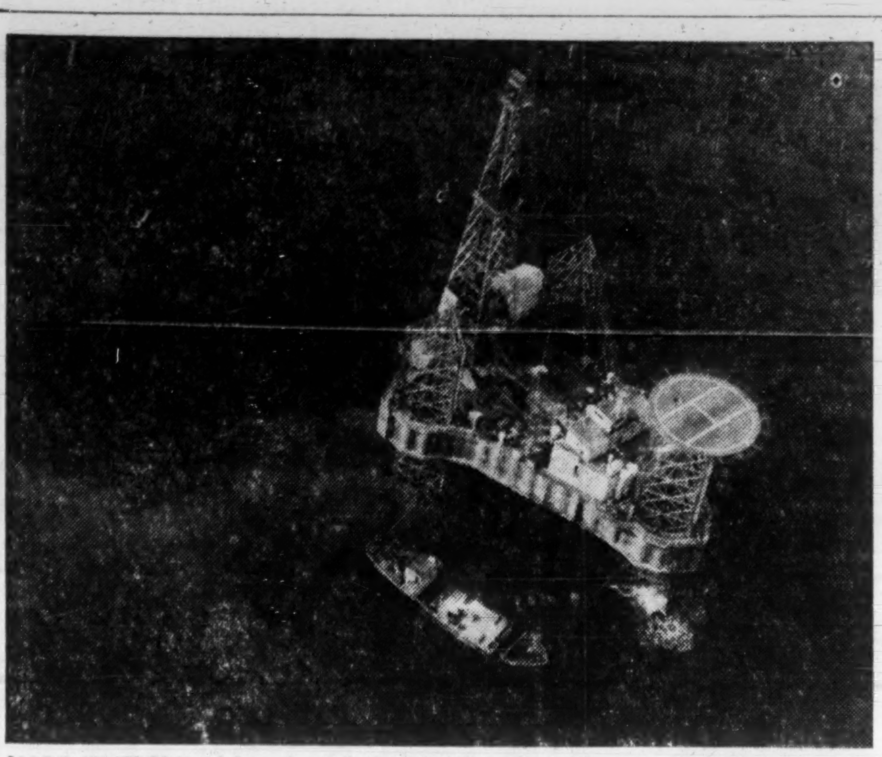

MORE THAN 90% of Japan's oil is imported. To offset this more effort is concentrated on seeking new fields. Offshore drilling in the Akita Prefecture, for instance, was started July, 1958.

Japan's Growth

Trying to Keep Even

Gross National Products of Canada and Japan are similar in size, both countries are heavily dependent on both exports and imports, but average Canadian productivity per person is about five times Japan's. Here is an outlook on Japan's growth in the next decade or two.

The Japanese economy remains in a period of very rapid and uneven growth which began during the reconstruction years after World War II.

The country's ambition is to maintain the growth but spread it more evenly.

Some industries have become international bywords of efficiency — textiles, cameras, toys, radios, shipbuilding, for example.

But agriculture — burdened with the job of supporting a huge rural population — is highly inefficient by Canadian standards.

Some of the metal-producing (except steel) and machinery industries are among those which have lagged in the race to cut unit costs and raise production.

Generally, the achievements of the Japanese economy have been impressive.

Last year (fiscal 1959) gross national product was about $33,000 million, compared with $29,000 million the year before. This sensational increase of more than 14% indicated a genuine boom, since prices were relatively stable.

If GNP climbs to $35,000 million or more this year — as predicted — it will have almost doubled since 1953.

In the same period the Tokyo wholesale price index has hardly changed, while Tokyo consumer prices have increased from an index of 286 to a little over 320.

In comparison, Canada's GNP is similar in size — $34,600 million last year. The two nations both are heavily dependent upon export industries, as well as being large importers.

But the rate of growth of GNP in Canada is considerably less than in Japan.

Our productivity per person is about five times Japan's. There is a higher capital investment per capita in Canada and labor costs are a good deal higher. Japan, in many ways, is still recovering from war and post-war conditions.

With its much larger labor force, it's not surprising that the growth of its total economy is more rapid. On the other hand the per capita annual addition to GNP in Japan is smaller than in Canada.

While Japan's GNP will have almost doubled from 1953 to 1960, Canada's probably will have risen somewhat more than 50% over a period when its price level rose slowly.

The Canadian consumer price index is now roughly 12 points above the 1953 level of 115.5 and the wholesale price index is up a little more than 10 points from 220.7 in 1953.

An industry breakdown of Japanese output reveals wide variations:

- **Coal** has risen only slightly since 1953, is below the 1940 level.
- **Production of steel and pig iron,** on the other hand, is up 60% since 1953, and about double 1940.
- **Cement is about double** 1953 and even further ahead of 1940.
- **Machine tool output** is almost double 1953 but still well below 1940. The high 1940 figure probably was an indication of the impending war in the Pacific.

Such things as sewing machines, bicycles, radios, watches and clocks are far ahead of both 1953 and 1940.

But wheat and barley production has, if anything, tended downward since the mid-50s and is roughly similar to that of the late '30s and early '40s. Rice recently has averaged moderately higher than in the early '50s and early '40s.

Production of cotton yarn has risen moderately from the early '50s, when it was already an important item. Average of recent years is about 20% higher than 1940 production.

Paper pulp output has climbed rapidly in the past 15 years and is far ahead of pre-war figures.

Aluminum (the Japanese ingot-making industry is regarded as relatively high cost) has almost doubled since 1953 and is even further ahead of 1940.

Looking ahead, an advisory council to the Japanese prime minister's office this year predicted:

- **GNP of $66,000 million in 1970** and $107,000 million in 1980. This assumes continued very rapid growth for the next decade, with a slowing down in the rate of increase after that.
- Parallel growth of imports and exports.
- **Mining and manufacturing** increase to more than six-fold from 1956-8 to 1980.
- **Farm, forestry and fishery** production only doubled by 1980.
- **Work force up 25% by 1980,** with almost no increase in the 1970-80 decade.
- **Some 6.6 times as many cars** in 1980, textile consumption almost doubled. Each Japanese spending 2.5 times as much for food, four times as much for clothing, five times as much for housing.

Quality Matches Prices

Japan is optimistic about prospects for exports of its light industry output, including sewing machines, cameras, toys, which combine good quality and reasonable price. Camera makers this year expect to produce almost two million units worth more than $53 million.

One of Japan's great industrial triumphs is its successful effort to combine good quality and reasonable price in the output of light industry.

Over a wide range of products from optical instruments (including cameras) to toys and wooden products, Japan has become a leader in international markets.

Also on the list of important products:

Sewing machines, watches, rubber products, typewriters, small items of metal, plastic, glass.

Japan is optimistic about its future prospects for this broad classification.

Export target for fiscal 1960 for light machinery (including sewing machines, optical goods, bicycles) is $202 million or 12% more than the actual figure for 1959.

The objective for another category, called light industrial products (including toys, stationery and certain products of wood, rubber, metal, leather and glass), is $457 million, an increase of 10%.

Cameras

Probably the best-known success of the Japanese in this field is in the production and international marketing of cameras.

Japanese cameras have a reputation for good quality and can be sold at moderate prices. North Americans, particularly, have been eager customers.

Canadians last year spent almost $2 million for cameras and parts. Japanese figures show Canadians as buying 45,000 units in 1959 compared with 7,817 in 1955.

Cameras fall in the general category of optical goods. Also included: Microscopes, binoculars, motion picture equipment, surveying instruments, telescopes. The Japanese are producing these items, too, with much success.

The export target for optical goods in fiscal 1960 is $50.1 million, an increase of 13% from actual figures for fiscal 1959.

"We hope for, and expect, an average 10% increase in exports every year," said Masao Nagaoka, chairman of the board of **Nippon Kogaku K. K.** — one of the big and best-known firms producing cameras and other optical instruments. He is president of the Japan Camera Industry Association and chairman of the Optical and Precision Instruments Manufacturers' Association.

Nagaoka says modernization is continuing to bring units costs down, though wages are rising. With 2,000 employees (the industry has about 25,000), company has doubled output of cameras in the last decade. Production of binoculars is up 50% in the same period, microscopes up 100%.

Profits are "fairly good" although declining in the last two years as competition becomes more intense.

Camera makers this year expect to produce about 1.9 million units worth more than $53 million. Binoculars — 90% exported — should hit 2.6 million units worth $22 million.

There are roughly 200 producers of binoculars. Only a few — such as Nippon Kogaku and **Tokyo Optical** — are very large, making their own lenses and bodies. Most are small assembly operations, sometimes set up by retired former employees of the large companies.

Toys

For a nation which once had an international reputation for low-quality toys, Japan now produces remarkably well-made products. Here, too, its prices are most competitive.

Based on its demonstrated success in fiscal 1959 (when toy exports were $71.2 million compared with a target of only $60.4 million), the export target this year has been set at $75.1 million.

Most production comes from the Tokyo region, the biggest chunk of exports goes to North America.

The ingenuity of the producers has produced toy animals which wake when an alarm clock rings, elephants which squirt water through their trunks, barking dogs, radio controlled police cars, and so on.

Best sellers are mechanical toys, with porcelain next.

With exports running at around $60 million annually, a new group has been set up to supervise the expansion. The Japan Sewing Machine Export Promotion Association aims for greater market stability, higher prices and steady growth of shipments abroad.

This industry is almost entirely dependent upon foreign markets. Production (by 250 manufacturers) was 2,323,000 units last year of which 2,143,000 were exported.

A danger the industry wants to avoid is the reduction of already low export prices as a result of the large number of producers and the willingness of some to pare prices to expand market shares. Experience in many Japanese industries has shown that this often leads to increased tariff and quota barriers.

Watches

Expanded production and export of watches could become a big item, as Japanese producers eye the huge market for imported watches in North America.

Production last year was about 5.4 million watches,

(Continued on p. J-14)

Cause for Concern

(Continued from p. J-9)

330,000 doz. (300,000 doz.); table cloths, 1.1 million sq. yd. (same); pillow cases, 180,000 doz. (same).

One of the big companies, **Kanegafuchi Spinning Co.,** looks at its future optimistically. Wages and many other costs are rising but new techniques and machines are raising efficiency.

Plant workers appear happy and energetic. Many live in company-provided housing, get subsidized meals, enjoy various recreation facilities provided by the company.

A typical male employee might get $80 a month with the company paying for "fringe benefits" worth possibly $14. At age 55 he might retire with a lump sum payment (no pension) of up to $8,500 depending upon his service.

This company is big (19,000 workers in many mills) but there are many small firms, often subsidized by the larger ones.

Here is a brief indication of expansion of major parts of the industry:

Cotton: By mid-1959 Japan was the world's No. 5 cotton-spinner, behind the U. K., the U. S., India and Russia.

Output of cotton yarn moved from 157,000 metric tons in 1949 to about 450,000 last year, of cotton fabrics from 823 million square meters in 1949 to 2,700 million last year. Last year didn't match 1957 peaks but was better than 1958.

Secondary cotton manufactures have hit the export trail hard. As a result, Canadian-Japanese negotiations produced quota arrangements.

Man-made fibre: Production last year was 466,000 metric tons, from a standing start immediately after the last war. Rayon staple was more than 250,000 tons last year, rayon filament more than 100,000, with synthetic fibre making up most of the rest.

Wool: Wool fabric production hit 261 million square meters last year, up 30% in only two years. Yarn output recovered from the 1958 cutback to return to the level of 1957.

Silk: An old dependable, production of raw silk is well below prewar levels. Because of competition from man-made fibres it can't expect to reach the heights again, but there has been much improvement in the last decade.

Production of raw silk was 319,000 bales last year compared with 334,000 in 1958 and 175,000 in 1949.

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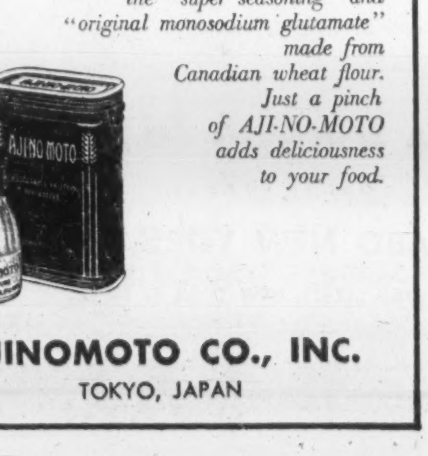

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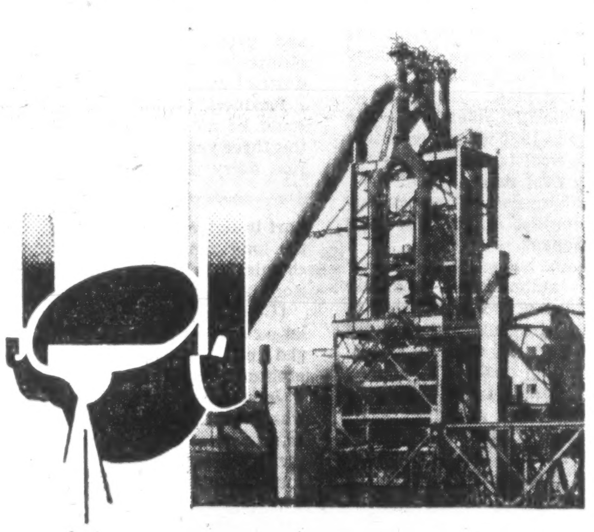

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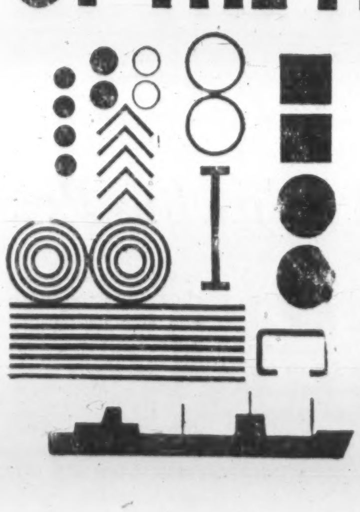

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ONE OF THE new post-war features of Japan is the collective apartment houses to cope with the chronic housing shortage.

Liberal Policy

See New Opportunities

Japan has made a start on liberalizing currency restrictions and other limitations on imports. This creates opportunities for many Canadian exporters. Here are some of the Canadian products that might benefit.

Canadian exporters are scanning Japan's trade liberalization plans, looking for new markets.

With its foreign currency reserves rising and its economy expanding quickly, the island nation is beginning to dismantle its non-tariff restrictions on imports.

The nation's rather low tariff structure remains, of course. But a start has been made on getting rid of currency restrictions and quotas and other controls based upon currency consideration.

This liberalization began early last year and already has gone through a number of stages. It has a long way yet to go and its future course undoubtedly will depend upon experience gained in the next year or two.

If for instance, it appears that certain Japanese industries will be very hard hit by liberalization, there will be delay. Observers feel that in agriculture — where Japan is not competitive — large-scale liberalization is a long way off.

If Japanese currency reserves should dip dangerously, this also would cause delay.

Assuming — as many Japanese officials do — that the nation's exports and imports continue in rough balance and that the world becomes slowly more receptive to Japanese exports, the government envisions rather rapid future liberalization.

Basically, liberalization is achieved by enlarging the government foreign exchange budget and by making it easier for importers to get exchange to buy imports.

The latter is done by increasing the number of imports classified under the Automatic Approval and Automatic (Foreign Exchange) Allocation systems, while reducing the number which have been imported only under rigid exchange allocation measures — or not at all.

The Automatic Approval and Automatic Allocation systems make it relatively simple for importers to get exchange to pay for imports.

On this basis, imports had been about 30% liberalized by April this year and — if present plans materialize — may be 70% liberalized some time in 1961 when raw cotton and wool become Automatic Approval items.

Where do the greatest opportunities lie for new sales to Japan?

Some indication is given by the authoritative monthly circular of the Mitsubishi Research Institute which quotes these results of a survey by a leading bank:

- **Liberalization could seriously affect** such industries as coal, nickel, aluminum, oil, electric pig iron, newsprint, kraft paper, rayon staple (in conflict with Japanese cotton producers), medium and small cotton spinners (as opposed to the large ones), certain pharmaceuticals, rapeseed oil, butter, cheese, refined sugar.

Note that certain of these are likely to be affected by the altered internal economic situation, not directly by foreign competition.

(Many of the items in this class are produced efficiently by Canada — aluminum, newsprint, nickel, rapeseed oil are examples.)

- **Those which might not be hurt initially**, but could be in the long run, include petrochemicals, blast furnace pig iron, high-grade paper, pulp.

(Canadians might hope for larger sales of petrochemicals and pulp, if liberalization progresses on schedule.)

- **Industries affected somewhat** initially, which might also be at a disadvantage in the long run, include flour, chemical machinery, ferro-alloys, paints, toilet articles, nylon, cakes, candy, liquors.

(Best bets for Canada in this group might include liquor and flour.)

- **Some products might be hit hard** at first, then recover later on — passenger cars, machine tools, specialty steel, electronic calculators, acrylic fibres, soy bean oil among others.

The survey finds many Japanese-produced items will be little affected by liberalization and that many others could suffer in the long run from development of new industry in underdeveloped nations. Still others will benefit because of greater ease in importing components and raw materials.

All this can only be tentative. The actual outcome will depend upon the course of liberalization and the reactions of Japanese industry.

It's very unlikely that Japan would completely free the import of coal since this would be disastrous to the large, but high-cost, domestic industry. Coal already is suffering from oil imports.

Many of Canada's mineral and farm products can hardly look forward to complete liberalization in the near future. Their best hope is that, as Japanese living standards rise, the amounts allowed to enter will be increased in size.

Two recent major developments in the liberalization program came in November, 1959, and January this year.

The November announcement provided for:

- **Removal of special dollar restrictions** on 10 items already under Automatic Approval. This was not done immediately for all 10 items.
- **Transfer to Automatic Approval** of 65 products previously governed by the stricter foreign currency allocation system. Included: Such things as cocoa butter, yarn of wool and hair (mohair only) and used stocking, silk and rayon.
- **Transfer to Automatic Approval** of 15 food product categories previously imported under barter arrangement. None of these appear to offer major opportunities for Canadian exporters.
- **Creation of the Automatic Allocation system** to allow unrestricted entry of 48 machinery items if such imports don't hurt the nation's balance of payments position or seriously injure domestic industries. Many pieces of office equipment are included.
- **Putting 34 consumer goods** under this new system. Included: Many things which the Japanese produce very efficiently, such as cameras, toys, radios.

The January announcement covered liberalization of 440 products and elimination of discrimination against dollar area goods effective April, 1960.

Among main items to be transferred to Automatic Approval were nickel ore, wool waste, coffee beans, pipe fittings of malleable cast iron.

Three-Year Plan

In late June the Japanese government said it planned to lift non-tariff restrictions on 80% of the country's imports within three years.

Among earliest items to be freed: Steel, pig iron, soy beans, cotton. Later: Pulp and paper, passenger cars, electronic equipment for industrial purposes.

Products for which there could be no liberalization in this three year period: Wheat, rice, dairy products.

'People's Car' Sells At $840

"Our auto industry cannot really compete with the other big ones," says a Japanese government official. And it's easy to find car company officials who agree.

Yet:

- **Japan produced almost 300,000 vehicles (four-wheelers) in fiscal 1959**, giving it the world's eighth largest output. (Canada last year produced just over 300,000 passenger cars and 70,000 commercial vehicles.)
- **Exports last year were a record 16,646 units**, worth $34 million, including parts. The increase from 1959: 53%.
- The official export targets this year are 25,000 units and $43 million.
- **The ambition this year is to ship abroad 13,650** large and small trucks, 10,550 passenger cars and 800 buses.

High hopes are bolstered by record passenger car exports of 846 vehicles in April. For all vehicles: 1,711, second highest monthly total on record. In addition, export shipment of vehicles under the U.S. military offshore procurement program totaled 1,555.

This appearance of romping prosperity is not as inconsistent with assertions of lack of competitive ability as it seems.

The Japanese industry enjoys considerable protection.

Import controls and taxes make non-Japanese vehicles expensive in Japan. Yet there are many U. S. and European cars, making it obvious there is interest in imported automobiles. One Japanese official said there is a considerable pent-up demand for larger U. S. cars to be used as company cars.

Automobiles have not been a significant export to Canada, although a number of companies hope to develop the Canadian market if they can turn out a popular, extra-low-priced car.

In fact the big aim of the industry right now is to expand sales rapidly through provision of "people's cars" selling for less than $1,000.

Toyo Kogyo has turned out the first of these midgets. It sells for $840 in Japan, is a four-wheeler advertised as getting a top speed of 56 mph and 75 miles to the gallon.

The well-styled little car will carry two comfortably with room for two children in the small rear seat area.

The Japanese automakers seem to be concerned by the prospect of trade liberalization, which could come within three or four years and bring with it a flood of imports.

An example of the protection they now have: The Volkswagen is priced at the equivalent of about $1,100 in West Germany. With transport costs plus a 4% Japanese tariff and a 15% commodity tax it sells in Japan for about $1,950. Liberalization could reduce this substantially.

Against this, Japanese automakers hope to slash production costs by 30% in the next three years in order to become fully competitive.

And it seems quite likely they **will** cut costs. **Bank of Japan** survey shows almost 70% of the total cost for major auto companies is in purchase of raw material and parts, compared with 50% for **General Motors** in the U. S. This reduces the advantage of low-cost labor possessed by the Japanese industry and leaves much room for improvement.

The steel industry, major supplier for the automakers, apparently is confident that its big customer will become more competitive. It has suggested that output will pass a million vehicles annually by 1980.

The automakers themselves don't lack for confidence. During the present fiscal year they have slated almost $100 million for expansion.

In the past, production has been on a relatively small-scale basis, being divided among a number of producers.

The two largest are **Toyota Motor Co.** and **Nissan Motor Co.** Each produced more than 30,000 passenger cars in fiscal 1959. Toyota was tops in Japan in total output of all vehicles, with more than 110,000 or close to 40% of the total.

Other major producers include **Isuzu Motor Co.**, **Hino Motor Co.**, which produces France's **Renault** passenger cars, and **Fuji Precision Machinery Co.** which began auto production in 1954 when it absorbed the **Prince Motor Co.**

A study issued by **Nomura Securities** — big investment company — comments:

There is likely to be increasing competition in similar types of cars.

"Another important problem is that of domestic prices. **Thanks to the restrictions imposed upon the import of foreign-made cars,** the prices of domestic cars, even where they were comparatively high, have not stood in the way of sales promotion. But the situation may have to change when foreign trade is made freer.

"The time may possibly come when domestic prices will have to be cut back.

"It is then that real competition will take place between manufacturers of cars. They will probably find it impossible to operate under the favorable conditions they have hitherto enjoyed."

Quality Matches Prices

(Continued from p. J-13)

largely for the Japanese market.

Japan's **Citizen Watch Co.** earlier this year concluded a deal with **Bulova Watch Inc.** which, says Bulova, provides for a two-way flow of merchandise between North America and Japan.

Under the agreement, Citizen will:

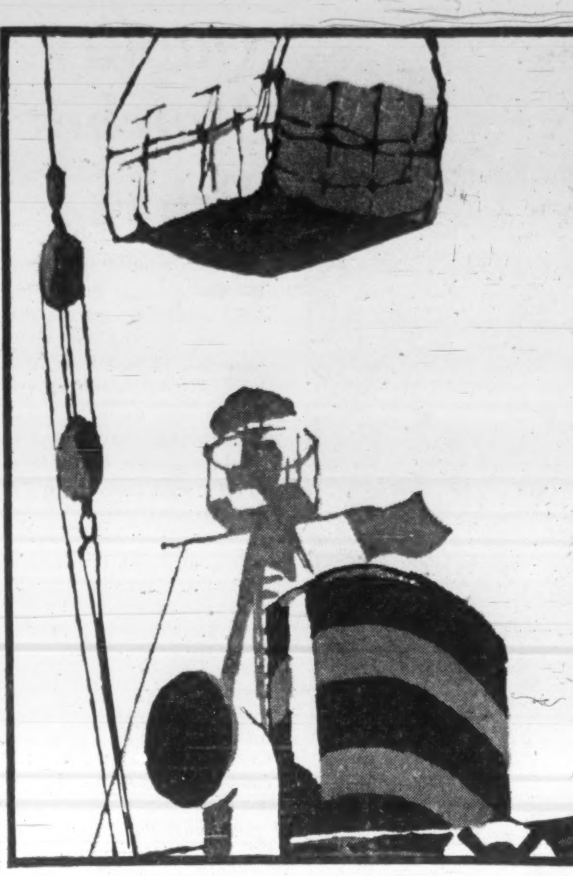
- **Produce for Bulova** precision-manufactured jeweled-lever movements and completed watches. These will be sold largely in the U. S. and Canada at first.
- **Become sole marketing agent** in Japan, and possibly some other nations, of watches made by Bulova in the U. S. and Switzerland.

Citizen is also planning an assembly plant in India. Another firm, **Hattori Watch Co.**, also has made a U. S. connection aimed at sales in North America.

Many other products of light industry have become important [illegible] post-war Japan.

Examples at random:

- **The eight-year-old business machine industry** had output worth $25 million last year, although foreign suppliers continue to do a big business in Japan.
- **Exports of bicycles** this year may hit $14 million.
- **Japan is the world's second largest** producer of pianos.
- **About 90% of its cigarette lighter** production is for export.



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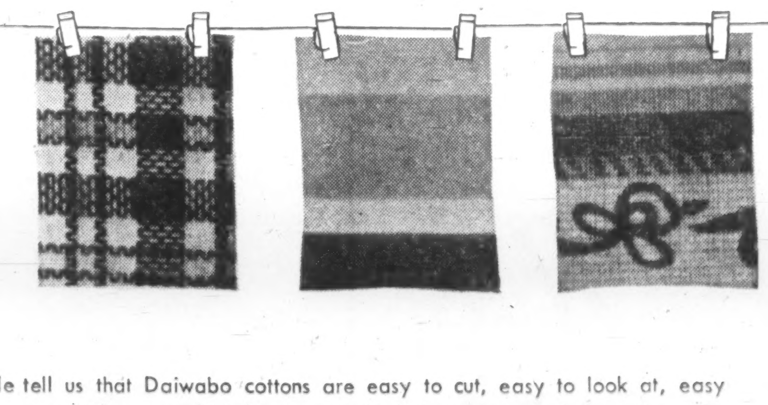

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Canada Has Stake In Japan's Future

Both countries have plenty to offer by way of market potential . . .

It seems the uptrend and the arguments both will continue for Canadian-Japanese trade.

New opportunities for Canadian sales to Japan are probable.

Japan's proven ability to compete here with a variety of manufactured products is likely to be reflected in "controlled" increases in its total sales.

Each nation will keep a close eye on imports from the other, wishing to avoid serious damage to major domestic industries. Free import of Canadian grain and metals into Japan could cause great economic dislocation. So could unlimited Canadian imports of Japanese manufactured goods, such as electronic products, textiles.

On both sides there is realization that the other offers an important market.

Both are striving to lessen the problems while still increasing the trade.

The position now:

- **Although the standings may change** periodically, Canada is probably Japan's fourth most important customer.
- **Japan also is No. 4** as a buyer of Canadian goods.
- **Canadian imports from last year** were $102.9 million; exports, $139.9 million.

The trend:

- **Canadian purchases rose 46% in 1959;** Canadian sales jumped 33%.
- **In the first five months this year exports to Japan** were $23 million above corresponding 1959. Imports from Japan in the first quarter rose $4 million.

The future:

- **Japan's "voluntary" export quotas** will be in the picture almost indefinitely, as a protection for Canadian manufacturers. Under quota are such things as textiles, plywood, transistor radios, flatware.
- **Japan will retain some special protective measures** to guard against injury to certain of its industries, especially agriculture and metal production. The trade liberalization program will remove some of these barriers from time to time.
- **Japanese demand for food, ores, coal,** aluminum, pulp and paper, chemicals, is rising. Whether Canada can take advantage of this will depend upon:

—The rate of expansion of Japanese domestic industry.

—An increase in Japanese exports to Canada. To the extent that Canada feels it can buy increased amounts of Japanese goods, it has a strong argument for bigger sales to Japan.

—Canada's ability to compete as a supplier with other nations—particularly the U. S. and Russia and possibly Red China if and when trade resumes between Japan and the Chinese.

In the broad picture, Canada has a stake in Japan's attempts to put its trade with Europe on a "normal" basis.

Both the U. S. and Canada feel European nations no longer are justified in being quite so cool to imports from Japan. Europe is prosperous, highly competitive in world markets.

The Canadian view was outlined earlier this year by W. H. Evans, president of Canadian Manufacturers' Association.

Evans said that Japan had concentrated postwar export efforts on North America, so much so that several industries had been badly hurt.

"The solution to a considerable extent lies with the countries of Western Europe and chiefly with those that are our NATO partners.

"With their living standards rapidly rising in the wake of increasing industrialization there is no reason for their not taking a fair percentage of Japanese exports.

"Their failure to do so, plus the fact that North America cannot possibly absorb all the exports of an expanding Japan, could conceivably force Tokyo into the orbit of communism—something that Europe would want as little as would the people of North America."

There are scattered indications that Europe is becoming more liberal. Only time will tell whether these signs will be translated into a brisker Europe-Japan trade.

Meanwhile exporters in Japan and Canada continue eagerly to explore each other's market potential.

A problem for Canada:

The nation is badly split. Most of the direct benefits of exports to Japan are enjoyed by Western Canada, most of the competition from Japanese imports hits industries in the East.

Thus you have the hard-hit Eastern textiles industry saying that the near doubling of textile and clothing imports from Japan in 1959 is "ruinous."

Western grain organizations urge the government to say that it is policy to allow the Japanese steadily to raise export quotas for Canada. This, it's argued, would help the Japanese buy increasing quantities of Canadian grain.

Investment of the two nations in each other's industry—quite small now—is on the rise, a natural result of widening trade contacts and the easing of Japanese barriers to foreign investment.

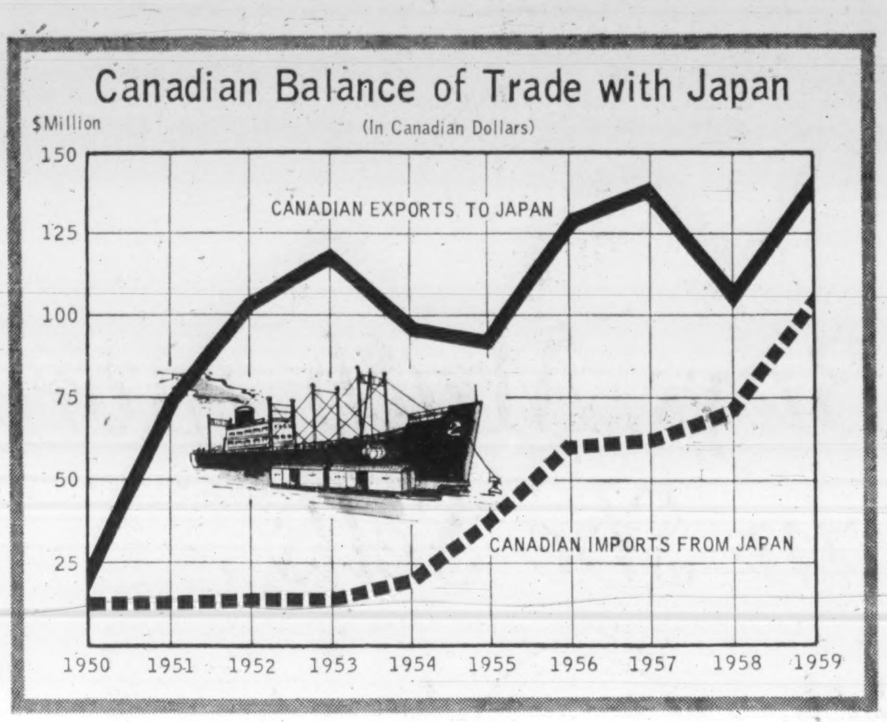
The big **Sumitomo** group has a deal which could lead to full financing for **Bethlehem Copper Corp.,** with minimum production of 3,000 tons daily. The property is in B. C.

Sumitomo already has put $350,000 into the B. C. firm's treasury, may advance up to another $9 million, must make a production decision by Feb. 28, 1961. Sumitomo has taken an option on a $5,000-ton mill now owned by **Manitou-Barvue.**

Other companies are pondering investment in B. C. iron ore, in production of pulp, pumps, farm machinery and drugs in Western Canada. Saskatchewan has been mentioned prominently as a possible location for Japanese-financed plants.

Mineral producers are excited by new purchase contracts signed periodically by Japanese buyers.

A number of western coal companies are working on contracts for coking coal for the Japanese steel industry. **Consolidated Denison** got an order for 6½ tons of uranium concentrate. Five B. C. companies are shipping iron ore.



Baseball Is Big Business

The crack of the bat and the thud of baseball hitting glove resound through the Japanese air.

The game is a national craze in Japan. It's also a big business.

Led by Commissioner Inouye, venerable former Supreme Court justice, organized baseball in Japan consists of two "major leagues" which are regarded as the equivalent of Class AAA in North America—or just one step below the Big Leagues.

Each league has six teams, with four being from Tokyo, four from Osaka and one each from Hiroshima, Kawasaki, Nagoya and Fukuoka.

Last year the Central League drew 4.8 million fans to its 390 scheduled games, an average of about 12,000. The Pacific League attracted 3.1 million for the same number of games.

Total income of both leagues last year probably was close to $3 million. For a doubleheader fans can pay up to about $1.25 per seat and for a single game up to $1. But the youngsters can sit in the outfield bleachers for as little as 14c.

Salaries are fat when compared with the Japanese average.

A good player may make $300 a month, a better-than-average performer $400 or more. Top annual salary reportedly is more than $25,000.

All this is only a segment of the baseball business in Japan.

Another large part of the game is represented by big expenditures by many industrial companies and universities, which have well-coached teams playing in college and semi-pro leagues.

It's quite common, too, for large companies to provide equipment and a ball diamond near the plant. Employees can spend leisure time or lunch hours playing catch or baseball.

This, combined with other company recreational facilities, is often a major "fringe benefit" for labor. Swimming pools, tennis courts and the like are provided by many large companies.

There's no way of estimating how much industry spends for baseball and other sports activity, but it must run into millions of dollars annually.

The growth of professional ball parallels its increasing popularity among workers and students.

The baseball craze was probably touched off by a visit of American League all-stars to Japan in 1934. Babe Ruth and Lou Gehrig became heroes to the Japanese fans. In the postwar years a number of major league teams have toured Japan—and not always completely victoriously.

The Japanese leagues foresee a bright future, even though high costs for salaries and bonuses to young prospects make profits almost nonexistent for most teams.

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Trade Problems

B.C. Group Seek Answer

Rapidly increasing Japanese-Canadian trade has created some problems and some hard feelings. Here is a report of discussions between Japanese industry and government and members of Vancouver Board of Trade during a recent tour.

The many complex and controversial aspects of the rapidly increasing trade between Japan and Canada don't lend themselves to easy generalizations—or solutions.

In each country there have been statements which have caused anger and dismay in the other. There is a feeling the other may not be fully aware of the problems of international trade and the effect on domestic production.

Hopeful developments:

- **The increasing direct personal contact between** Japanese and Canadians.
- **Tendency for government and industry people** to get a first-hand look at the other's economy.

A big step:

Last spring's three-week, 52-man look at Japanese industry and economics sponsored by the Vancouver Board of Trade.

"We had a wonderful reception everywhere," says R. G. Miller, president of the Board.

The Canadian visitors and their Japanese hosts didn't avoid realistic discussion of the problems of trade between the two nations.

That is obvious in Miller's official report to the members of the Vancouver Board. He said in part:

"In Tokyo we had a quite revealing and lengthy conference with a group of business leaders. Frank statements and questions and answers came from both sides . . .

"The Japanese feel that balancing of trade between any two countries is very important. They now have a multilateral favorable balance of trade with the world but they pointed out very vigorously that, ever since the war Japan has had an unfavorable balance of trade with Canada.

"They asked us to use our influence to try to balance the accounts.

"In reply we pointed out that, while it is true that Japan still had an unfavorable balance of trade with Canada, the gap is narrowing rapidly.

"Moreover, imports by Japan from Canada include many raw materials such as metal ores, etc., which are used in their industry with much of the resulting production being re-exported. Thus such imports do not constitute a drain on their foreign exchange reserves.

"We also pointed out that it is exceedingly difficult to secure a bilateral balance when one country is exporting raw materials and taking in exchange (as Canada is doing) finished manufactured products which include a large element of labor.

"We also emphasized that we felt it essential to protect our own established industries and the employment of Canadian workers. We also pointed out that Canada last year imported from Japan goods to the value of $6 per capita (remembering that the population of Canada is but 17 million) and this established us as their best customer, apart from the U. S., on a per capita basis.

"Our rebuttal was fairly well received but one or two counter-strokes were made.

"It was intimated that Canada has an enormous trade deficit with the U. S. and we were asked why we deliberately favor U. S. imports.

"There was a hint that we should remember that U. S. imports must hurt our domestic industries and perhaps create unemployment more than do so-called "cheap" Japanese goods.

"Our Japanese friends later said privately they have never heard reports that Canadians protest about U. S. imports into Canada, as they do about Japanese goods.

"We recommended more frequent visits by Japanese manufacturers in order to acquaint themselves with the quality and styling necessary to achieve popularity in the Canadian market.

"Some of us in private talks later found ourselves agreeing with the thesis that our imports are unnecessarily overbalanced in favor of U. S. production and that (provided always that other things are equal), as matters of private trading or national policy, we might do more to divide our trade somewhat more evenly in favor of such countries as Japan, West Germany and the Commonwealth."

It was agreed by both sides that, in the interests of both countries, the development of trade should be conducted on an orderly basis instead of trying to expand too rapidly.

Also, that better self-discipline by Japanese exporters and the establishment of voluntary export quotas . . . were desirable in the interests not only of the stability of the Canadian market, but of the Japanese manufacturers themselves.

"Japanese industrialists are now convinced they made some serious mistakes in the past which they do not intend to repeat," Mr. Miller said.

"They are now far more than "clever imitators". They recognize that quality and strict adherence to specifications and to samples are absolutely essential if goodwill of importers is to be maintained.

The quality of Japanese goods will continue to improve as they gain in industrial skills.

"One cannot but be impressed by the devotion of Japanese industry and workers to creating in their country one of the greatest workshops in the world in order that they can continue to buy necessary imports to feed their ever-expanding population."

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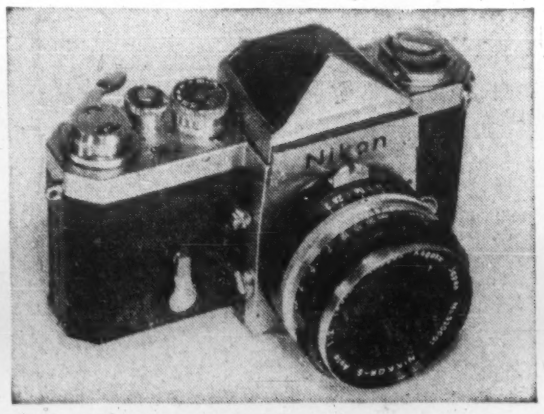


CANADA'S SALES AND SERVICE HEADQUARTERS FOR JAPANESE CAMERAS

Japan Camera Center

4 EDWARD ST., TORONTO. • EMPIRE 2-1555

TORONTO OFFICE: Room No. 507, Concourse Bldg. 100 Adelaide Street West, Toronto 1, Ont. (Tel. EMpire-3-4933-4-5)
VANCOUVER OFFICE: No. 2139 Vancouver Post Office Room No. 528, 510 West Hastings St., Vancouver B.C. (Tel. MU-1-8466)

IMPORT ITEMS: Textile Raw Material, Wool Goods, Industrial Raw Material, Marine & Agricultural Products, Grains, Food Products & Feeds, Fats, Oil & Oilseeds, Chemicals, Fertilizer, Steel Products, Scrap Ore & Concentrates, Non-Ferrous Metal, Machinery, Atomic Instruments Fuel, Aircraft.

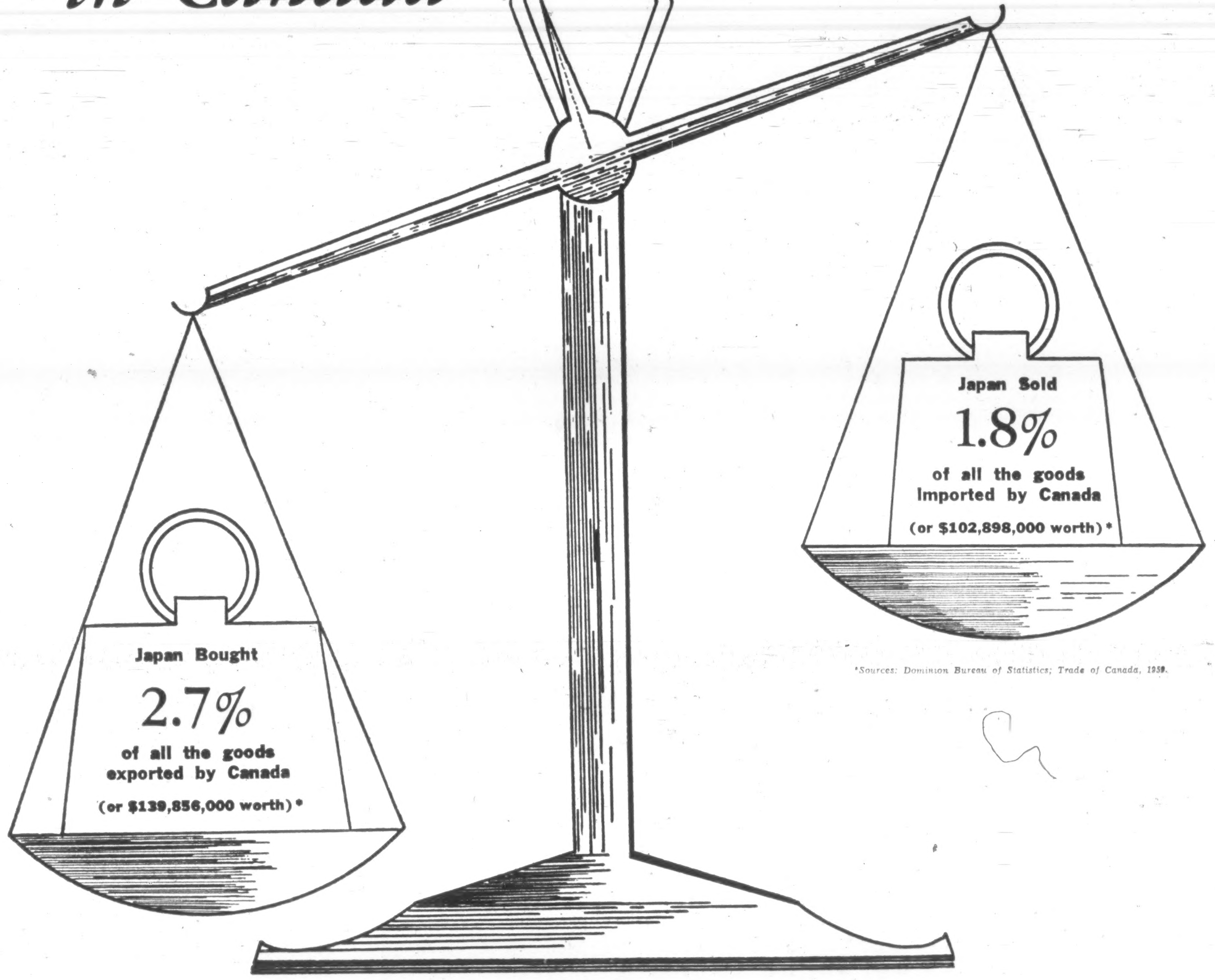
EXPORT ITEMS: Textiles, Yarns, Fibre, Textile Sundries, Machinery, Instruments, Plant Aircraft & Vessel, Steel Products, Non-Ferrous Metal, Mineral, Chemical, Sundries, Marine & Agricultural Products Fertilizer, Log & Lumber, Fats & Oil.

IMPORTERS EXPORTERS & CONTRACTORS

Marubeni-Iida Co., Ltd.

Head Office P. O. Box Central 1000 Osaka, Japan Cable Address: "MARUBENI OSAKA"
Tokyo Office P. O. Box Central 595 Tokyo, Japan Cable Address: "MARUBENI TOKYO"

Japan Buys Much More than She Sells in Canada



*Sources: Dominion Bureau of Statistics; Trade of Canada, 1959.

Japan spent $37-million more in buying Canadian goods last year than she received from sales to Canada. Her sales to this country amount to less than two percent of Canada's total import volume from all countries — but Japan is still imposing voluntary quotas on many of her products to promote orderly marketing in Canada. Thus, the future trend in Japanese exports to Canada will be toward the field of newer quality products. In this way, Japan looks forward to increasing her share of Canada's imports as a partner-in-trade.

Japan Trade Centre

83 Yonge Street, Toronto, Ontario

DIVISION OF THE

JAPAN EXPORT TRADE PROMOTION AGENCY

Kokusai Kanko Building, Marunouchi, Tokyo, Japan